

MONTANA-DAKOTA UTILITIES CO.
A Division of MDU Resources Group, Inc.

Before the Public Service Commission of North Dakota
Case No. PU-13-803

Supplemental Direct Testimony
of
Tamie A. Aberle

1 Q. **Would you please state your name and business address?**

2 A. Yes. My name is Tamie A. Aberle, and my business address is 400
3 North Fourth Street, Bismarck, North Dakota 58501.

4 Q. **What is your position with Montana-Dakota Utilities Co.?**

5 A. I am the Director of Regulatory Affairs for Montana-Dakota Utilities
6 Co. (Montana-Dakota), a Division of MDU Resources Group, Inc.

7 Q. **Are you the same Tamie A. Aberle who filed direct testimony in this
8 proceeding?**

9 A. Yes, I am.

10 Q. **What is the purpose of this supplemental testimony?**

11 A. The purpose of this supplemental testimony is to update the results
12 of the class cost of service study and the proposed rates for natural gas
13 distribution service based on the revenue requirement for North Dakota
14 gas operations in this case as approved by the Commission on December
15 30, 2013.

16 Q. **What statements and exhibits have you updated to reflect the
17 authorized revenue increase of \$4.25 million?**

18 A. I have updated Statement O, Statement P and Exhibit No. __ (TAA-

1 1) page 2 and Exhibit No. ____ (TAA-2). I am also providing a new
2 schedule, Exhibit No. ____ (TAA-4) showing the rate components based on
3 the current residential rate structure and the proposed residential rate
4 structure.

5 **Q. What is the total revenue effect of the proposed gas rate changes**
6 **based on the authorized revenue requirement?**

7 A. The final proposed rates will produce additional revenues of
8 \$4,244,133 or 3.95% annually based on Projected 2014 throughput.
9 Updated Exhibit No. __ (TAA-1) represents summaries by rate
10 classification of the final revenue increase based on the proposed revenue
11 allocation to the rate classes. The exhibit shows the rate number and a
12 description along with the revenues calculated under the present and
13 proposed rates.

14 **Q. Would you please explain Updated Exhibit No. ____ (TAA-2)?**

15 A. Yes. Updated Exhibit No. ____ (TAA-2) depicts bill comparisons
16 based on typical monthly consumption levels for an annual period for
17 Residential and Firm General Service customers. As shown by the
18 comparisons provided on pages 1 through 3, the proposed rate structure
19 will result in an average increase, based on final proposed rates, of
20 approximately \$2.72 per month for the typical Residential customer using
21 92 dk on an annual basis. A Small Firm General Service customer (Rate
22 70 with a meter rated less than 500 cubic feet per hour) would see an
23 increase of approximately \$4.85 per month or 4.8% and a Large General

1 Service customer (Rate 70 with a meter rated 500 cubic feet per hour or
2 more) would see an increase of approximately \$6.44 per month or 1.1%.

3 **Q. What were the results of the updated embedded cost of service
4 study to reflect the authorized revenue requirement?**

5 A. The overall North Dakota gas rate of return based on the
6 authorized Projected 2014 revenue requirement is 4.487%. The returns
7 by customer class for the sales and transportation service classes are as
8 shown below:

9

Residential Service	2.433%
Small Firm General Service	5.988%
Large Firm General Service	8.653%
Air Force Delivery Service	12.162%
Small Interruptible Sales & Transportation	3.308%
Large Interruptible Sales & Transportation	13.054%

10 **Q. Did you utilize the same methodology for determining what costs
11 should be assigned to each class of customers as was used in the
12 embedded class cost of service study submitted in this case?**

13 A. Yes. The allocation of costs is the based on the same methodology
14 described in my direct testimony submitted in this case.

15 **Updated Distribution of the Revenue Requirement**

16 **Q. What methodology did you use to apportion the proposed rate
17 increase among the customer classes?**

18 A. In designing the proposed rates to reflect the additional revenue
19 requirement, I again used the embedded cost study as a guide. The
20 revenue increase necessary to bring each of the rate classes to the overall

1 rate of return ranges from an increase of approximately 7 percent for
 2 Residential Rate 60 to a reduction of 20 percent for Large Interruptible
 3 Service Rates 82 and 85. In allocating the revenue increase to each class
 4 I used an iterative process to mitigate the impact associated with the
 5 increase required to reach the overall return by rate class. In this update,
 6 the Firm General Service class, Air Force Delivery service provided under
 7 Rate 64 and the Small Interruptible Service class increases were held the
 8 same as originally filed and the Large Interruptible class was held at
 9 current levels, resulting in an increase of 5 percent required from the
 10 Residential class rather than a 7.4 percent increase supported by the
 11 embedded class cost of service study. This mitigates the increase
 12 required from residential customers while representing a significant
 13 movement to cost based rates.

14 **Q. What is the percentage of the proposed final increase by rate class?**

15 **A.** The proposed final increase to each of the classes is shown in the
 16 table below. For comparison purposes I have included the increases by
 17 rate class as originally filed:

	Revenue Increase	
	Updated	As Filed
Residential	5.03%	9.52%
Firm General Service	2.17%	2.18%
Air Force	1.19%	1.19%
Small Interruptible	8.05%	8.09%
Large Interruptible	-0.07%	-0.07%
Total North Dakota	3.95%	6.36%

18
 19 **Q. Would you please provide the rate of return by class after the**

1 **allocation of the revenue increase as you proposed?**

2 A. Yes. Shown below are the class rates of return after the allocation
3 of the increase:

	ROR With Incr
Residential	6.143%
Firm General Service	10.274%
Air Force	35.217%
Small Interruptible	10.102%
Large Interruptible	13.037%
Total North Dakota	7.877%

4
5 **Q. Are you proposing to collect the allocated final increase from**
6 **the residential rate class in the same manner as originally proposed?**

7 A. Yes. I am proposing to collect the entire amount of distribution
8 revenues assigned to the residential class (Rates 60 and 90) through a
9 fixed daily charge denoted as the "Delivery Service Charge". The
10 proposed Delivery Service Charge applicable under Rates 60 and 90
11 equates to a daily charge of \$0.5941 or \$18.07 per month on average.
12 This fixed charge would replace the current Basic Service Charge (fixed
13 per day) and the Distribution Delivery Charge (charge per dk for the
14 delivery of natural gas). Residential customers will continue to pay for
15 Cost of Gas on a volumetric basis for all gas delivered to their home.

16 **Q. How are you proposing to collect the allocated final increase from**
17 **the other rate classes?**

18 A. I am proposing increases to the Basic Service Charges for each of

1 the other rate schedules the same as originally submitted as shown below:

	<u>Current</u>	<u>Proposed</u>	
Firm General Service			
< 500 cubic ft/hr	\$0.52	\$0.67	per day
> 500 cubic ft/hr	1.75	1.90	per day
Air Force			
Firm	135.00	175.00	per month
Interruptible	1,000.00	2,000.00	per month
Small Interruptible			
Sales	100.00	300.00	per month
Transportation	150.00	300.00	per month
Large Interruptible			
Sales	675.00	2,200.00	per month
Transportation	725.00	2,200.00	per month

2 After taking into account the revenue increase associated with the
3 changes in the Basic Service Charge, the remaining increase in revenues
4 is proposed to be collected through the applicable Distribution Delivery
5 Charge components charged on a per dk basis. As noted above, the
6 Residential Delivery Charge proposed for Rates 60 and 90 will collect all
7 assigned distribution revenues eliminating the need for a separate
8 volumetric charge.

9 The rate design calculations supporting the final rate levels are
10 included in Updated Statement P, Pages 4-18.

11 **Q. Would you please reiterate the benefits, described in your direct**
12 **testimony, to Montana-Dakota and to its customers of implementing**
13 **a single fixed charge component applicable to the Residential**
14 **schedules (60 and 90)?**

15 **A.** There are several significant benefits from implementing Montana-

1 Dakota's fixed residential rate proposal, including:

- 2 1. The proposed mechanism will mitigate the impact of significantly
3 colder-than-normal weather on customers' bills, without the
4 application of the DDSM, while also mitigating the impact
5 warmer than normal weather has on the Company's ability to
6 recover fixed costs.
- 7 2. The proposed charge reduces fluctuations in Montana-Dakota's
8 earnings, both up and down, as the result of weather
9 fluctuations and customers' conservation efforts.
- 10 3. Customers' bills will be more stable as approximately 35 percent
11 of the total bill will be fixed each month and not dependent on
12 changes in weather.
- 13 4. Customers will continue to have incentive to conserve as the
14 Cost of Gas, representing approximately 65 percent of a typical
15 customer's bill, will continue to be billed on a volumetric basis.
- 16 5. Provides a better match of revenues to the investment made to
17 serve each residential customer with a typical service line,
18 meter and regulator at the same average cost. Under a
19 volumetric distribution rate structure, customers with above
20 average use are subsidizing customers using less than average
21 volumes of natural gas.
- 22 6. The fixed rate will address the inequities caused by customers
23 using natural gas as a backup energy source during peak

1 periods.

2 **Q. Would you please explain Exhibit No.__(TAA-4)?**

3 A. Yes. I have included Exhibit No.__(TAA-4) to illustrate the effects
4 of the proposed residential fixed charge rate on a typical customer bill
5 showing the changes by bill component. As shown, a customer using an
6 average of 92 dk on an annual basis, will pay an increase of \$8.95 per
7 month for the fixed charge component with an offsetting decrease of \$6.23
8 per month with the elimination of the volumetric Distribution Delivery
9 Charge. Importantly, customers will see a net decrease in their bill in
10 those months when bills are the highest due to the amount of natural gas
11 being used.

12 **Q. Does this conclude your supplemental direct testimony?**

13 A. Yes, it does.

MONTANA-DAKOTA UTILITIES CO.
REVENUES UNDER CURRENT AND PROPOSED RATES
GAS UTILITY - NORTH DAKOTA
Proposed Final Rates - Based on Settlement Revenue Requirement

Customer Class/Rate	Projected 2014			Total Proposed Revenue	Proposed Revenue Increase	Percent Increase
	Customers	Dk	Revenue			
Residential - Rate 60	89,713	8,285,778	\$57,715,371	\$60,617,695	\$2,902,324	5.0%
Firm General Service - Rate 70	13,631	6,429,931	40,103,576	40,972,040	868,464	2.2%
Air Force - Rate 64						
Firm	1	32,291	166,498	168,464	1,966	1.2%
Interruptible	2	520,209	2,138,280	2,163,806	25,526	1.2%
Total Air Force	3	552,500	2,304,778	2,332,270	27,492	1.2%
Small Interruptible						
Sales - Rate 71	86	1,107,934	4,985,865			0.0%
Transport - Rate 81	64	1,050,534	563,778			0.0%
Total Small Interruptible	150	2,158,468	5,549,643	5,996,434	446,791	8.1%
Large Interruptible						
Sales - Rate 85	1	24,626	113,450			
Transport - Rate 82	7	4,810,572	1,302,628			
Total Large Interruptible	8	4,835,198	1,416,078	1,415,140	(938)	-0.1%
Total North Dakota	<u>103,505</u>	<u>22,261,875</u>	<u>\$107,089,446</u>	<u>\$111,333,579</u>	<u>\$4,244,133</u>	<u>4.0%</u>

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**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - NORTH DAKOTA
 RATE 60 BILL COMPARISON
 RESIDENTIAL GAS SERVICE**

Month	Dk	Present Rate	Proposed Rate	Amount of Increase	% Increase
January	16	\$101.78	\$97.91	(\$3.87)	-3.80%
February	15	95.10	91.15	(3.95)	-4.15%
March	13	84.44	83.00	(1.44)	-1.71%
April	9	61.02	62.54	1.52	2.49%
May	5	38.20	43.26	5.06	13.25%
June	3	26.34	32.73	6.39	24.26%
July	2	20.86	28.35	7.49	35.91%
August	1	15.08	23.39	8.31	55.11%
September	2	20.56	27.76	7.20	35.02%
October	4	32.42	38.29	5.87	18.11%
November	9	61.02	62.54	1.52	2.49%
December	13	84.44	83.00	(1.44)	-1.71%
Total	92	\$641.26	\$673.92	\$32.66	5.09%

Average Increase per Month \$2.72

RATE 60	Current	Proposed
Basic Delivery Charge	\$0.30	\$0.5941
Distribution Delivery	\$0.812	\$0.000
Cost of Gas	4.968	\$4.968

1/ Rate effective October 1, 2004
 2/ Includes projected cost of gas.

**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - NORTH DAKOTA
 RATE 70 BILL COMPARISON
 FIRM GENERAL GAS SERVICE (< 500 Cubic Feet Per Hour Meters)**

MONTH	DK	PRESENT RATE	PROPOSED RATE	AMOUNT OF INCREASE	% INCREASE
January	35	\$210.90	\$216.21	\$5.31	2.52%
February	32	192.64	197.45	4.81	2.50%
March	26	160.81	165.95	5.14	3.20%
April	19	121.34	126.20	4.86	4.01%
May	9	66.21	71.03	4.82	7.28%
June	4	37.86	42.44	4.58	12.10%
July	2	27.25	31.94	4.69	17.21%
August	1	21.69	26.35	4.66	21.48%
September	3	32.30	36.85	4.55	14.09%
October	7	55.08	59.86	4.78	8.68%
November	18	115.77	120.61	4.84	4.18%
December	27	166.38	171.54	5.16	3.10%
Total	183	\$1,208.23	\$1,266.43	\$58.20	4.82%

Average Increase per Month \$4.85

RATE 70	Current 1/	Proposed 2/
Basic Delivery Charge	\$0.52	\$0.670
Distribution Delivery	\$0.597	\$0.616
Cost of Gas	4.968	\$4.968

1/ Rate effective October 1, 2004

2/ Includes projected cost of gas.

**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - NORTH DAKOTA
 RATE 70 BILL COMPARISON
 FIRM GENERAL GAS SERVICE (> 500 Cubic Feet Per Hour Meters)**

MONTH	DK	PRESENT RATE	PROPOSED RATE	AMOUNT OF INCREASE	% INCREASE
January	204	\$1,189.51	\$1,198.04	\$8.53	0.72%
February	189	1,100.79	1,108.58	7.79	0.71%
March	160	944.65	952.34	7.69	0.81%
April	117	703.61	710.33	6.72	0.96%
May	69	438.24	444.20	5.96	1.36%
June	39	269.54	274.78	5.24	1.94%
July	27	204.51	209.67	5.16	2.52%
August	25	193.38	198.50	5.12	2.65%
September	31	225.02	230.10	5.08	2.26%
October	55	360.33	366.02	5.69	1.58%
November	111	670.22	676.82	6.60	0.98%
December	163	961.35	969.09	7.74	0.81%
Total	1190	\$7,261.15	\$7,338.47	\$77.32	1.06%

Average Increase per Month \$6.44

RATE 70	Current 1/	Proposed 2/
Basic Delivery Charge	\$1.75	\$1.90
Distribution Delivery	\$0.597	\$0.616
Cost of Gas	4.968	\$4.968

1/ Rate effective October 1, 2004

2/ Includes projected cost of gas.

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
RATE 60 BILL COMPARISON
RESIDENTIAL GAS SERVICE**

Month	Dk	Present Rate				Proposed Rate				Amount of Increase	% Increase
		Basic Service Charge	Distribution Delivery	Cost of Gas	Total	Basic Service Charge	Distribution Delivery	Cost of Gas	Total		
January	16	\$9.30	\$12.99	\$79.49	\$101.78	\$18.42	\$0.00	\$79.49	\$97.91	(\$3.87)	-3.80%
February	15	8.40	12.18	74.52	95.10	16.63	0.00	74.52	91.15	(3.95)	-4.15%
March	13	9.30	10.56	64.58	84.44	18.42	0.00	64.58	83.00	(1.44)	-1.71%
April	9	9.00	7.31	44.71	61.02	17.82	0.00	44.71	62.53	1.51	2.47%
May	5	9.30	4.06	24.84	38.20	18.42	0.00	24.84	43.26	5.06	13.25%
June	3	9.00	2.44	14.90	26.34	17.82	0.00	14.90	32.72	6.38	24.22%
July	2	9.30	1.62	9.94	20.86	18.42	0.00	9.94	28.36	7.50	35.95%
August	1	9.30	0.81	4.97	15.08	18.42	0.00	4.97	23.39	8.31	55.11%
September	2	9.00	1.62	9.94	20.56	17.82	0.00	9.94	27.76	7.20	35.02%
October	4	9.30	3.25	19.87	32.42	18.42	0.00	19.87	38.29	5.87	18.11%
November	9	9.00	7.31	44.71	61.02	17.82	0.00	44.71	62.53	1.51	2.47%
December	13	9.30	10.56	64.58	84.44	18.42	0.00	64.58	83.00	(1.44)	-1.71%
Total	92	\$109.50	\$74.71	\$457.05	\$641.26	\$216.85	\$0.00	\$457.05	\$673.90	\$32.64	5.09%
Average Increase						\$8.95	(\$6.23)	0		\$2.72	

RATE 60	Current	Proposed
Basic Delivery Charge	\$0.30	\$0.5941
Distribution Delivery	\$0.812	\$0.000
Cost of Gas	4.968	\$4.968

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
Embedded Class Cost of Service Study
Cost of Service by Component
Projected 2014-Settlement**

	Total North Dakota	Residential			Total Residential
		Demand	Energy	Customer	
Projected Rate Base	77,691	15,124	0	33,416	48,540
Operating Income for Proposed Return	6,123	1,192	0	2,633	3,825
Projected Operating Income	3,486	(1,659)	4,049	(1,209)	1,181
Increase in Operating Income	2,637	2,851	(4,049)	3,842	2,644
Related Taxes for Increase					
Federal Income	1,612	1,743	(2,476)	2,348	1,615
Total Increase in Revenue	4,249	4,594	(6,525)	6,190	4,259
Projected Revenue Before Increase	108,336	9,824	38,233	10,158	58,215
Total Cost of Service Required from Rates:	111,794	14,284	31,706	15,984	61,974
Less Projected Cost of Gas	79,840	9,695	31,471	0	41,166
Net Distribution Cost of Service	31,871	4,589	235	15,984	20,808
Return on Rate Base Before Increase	4.487%				2.433%
Projected Billing Units	103,505			89,713	
Bills	1,242,060			1,076,556	
Dk	22,261,875	8,285,778	8,285,778		
Unit Cost of Service					
Energy cost per Dk			\$0.03		
Demand cost per Dk		\$0.550			
Customer Cost Per Month				\$14.85	
Customer and Demand Cost per Month				\$19.11	

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**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
Embedded Class Cost of Service Study
Cost of Service by Component
Projected 2014-Settlement**

	Small Firm General			Total Small Firm General	Large Firm General			Total Large Firm General
	Demand	Energy	Customer		Demand	Energy	Customer	
Projected Rate Base	3,611	0	4,121	7,732	7,615	0	5,190	12,805
Operating Income for Proposed Return	285	0	325	610	600	0	409	1,009
Projected Operating Income	(393)	634	222	463	(828)	1,641	295	1,108
Increase in Operating Income	678	(634)	103	147	1,428	(1,641)	114	(99)
Related Taxes for Increase								
Federal Income	415	(388)	63	90	873	(1,003)	70	(60)
Total Increase in Revenue	1,093	(1,022)	166	237	2,301	(2,644)	184	(159)
Projected Revenue Before Increase	2,434	7,545	1,900	11,879	5,638	20,268	2,526	28,432
Total Cost of Service Required from Rates:	3,494	6,522	2,020	12,036	7,871	17,623	2,651	28,145
Less Projected Cost of Gas	2,403	6,475	0	8,878	5,573	17,495	0	23,068
Net Distribution Cost of Service	1,091	47	2,020	3,158	2,298	128	2,651	5,077
Return on Rate Base Before Increase				5.988%				8.653%
Projected Billing Units			9,769				3,862	
Bills			117,228				46,344	
Dk	1,787,104	1,787,104			4,642,827	4,642,827		
Unit Cost of Service								
Energy cost per Dk		\$0.03				\$0.03		
Demand cost per Dk	\$0.610				\$0.490			
Customer Cost Per Month			\$17.23				\$57.20	
Customer and Demand Cost per Month			\$26.54				\$106.79	

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
Embedded Class Cost of Service Study
Cost of Service by Component
Projected 2014-Settlement**

	Air Force Delivery			Total Air Force Delivery	Small Interruptible			Total Small Interruptible
	Demand	Energy	Customer		Demand	Energy	Customer	
Projected Rate Base	8	0	66	74	3,605	0	476	4,081
Operating Income for Proposed Return	1	0	5	6	284	0	38	322
Projected Operating Income	(7)	40	(25)	9	(400)	530	5	135
Increase in Operating Income	8	(40)	30	(3)	684	(530)	33	187
Related Taxes for Increase								
Federal Income	5	(24)	18	0	418	(324)	20	114
Total Increase in Revenue	13	(64)	48	(3)	1,102	(854)	53	301
Projected Revenue Before Increase	166	2,125	18	2,309	407	4,961	224	5,592
Total Cost of Service Required from Rates:	178	2,061	63	2,302	1,474	4,106	271	5,851
Less Projected Cost of Gas	175	2,044	0	2,219	352	4,058	0	4,410
Net Distribution Cost of Service	3	17	63	83	1,122	48	271	1,441
Return on Rate Base Before Increase	12.162%							3.308%
Projected Billing Units			3				150	
Bills			36				1,800	
Dk	552,500	552,500			2,158,468	2,158,468		
Unit Cost of Service								
Energy cost per Dk		\$0.03				\$0.02		
Demand cost per Dk	\$0.010				\$0.520			
Customer Cost Per Month			\$1,750.00				\$150.56	
Customer and Demand Cost per Month			\$1,833.33				\$773.89	

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**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
Embedded Class Cost of Service Study
Cost of Service by Component
Projected 2014-Settlement**

	Large Interruptible			Total Large Interruptible	Minot Air Force Base Distribution			Total MAFB Distribution
	Demand	Energy	Customer		Demand	Energy	Customer	
Projected Rate Base	2,707	0	656	3,363	754	0	342	1,096
Operating Income for Proposed Return	213	0	52	265	59	0	27	86
Projected Operating Income	(206)	714	(69)	439	(113)	0	264	151
Increase in Operating Income	419	(714)	121	(174)	172	0	(237)	(65)
Related Taxes for Increase								
Federal Income	256	(437)	74	(107)	105	0	(145)	(40)
Total Increase in Revenue	675	(1,151)	195	(281)	277	0	(382)	(105)
Projected Revenue Before Increase	29	1,340	75	1,444	7	0	458	465
Total Cost of Service Required from Rates:	683	188	264	1,135	277	0	74	351
Less Projected Cost of Gas	8	91	0	99	0	0	0	0
Net Distribution Cost of Service	675	97	264	1,036	277	0	74	351
Return on Rate Base Before Increase				13.054%				13.777%
Projected Billing Units			8					0
Bills			96					12
Dk	4,835,198	4,835,198						
Unit Cost of Service								
Energy cost per Dk		\$0.02						
Demand cost per Dk	\$0.140							
Customer Cost Per Month			\$2,750.00					\$29,250.00
Customer and Demand Cost per Month			\$9,781.25					\$29,250.00

MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
Embedded Class Cost of Service Study
Twelve Months Ended December 31, 2012
Projected 2014
Settlement

Rate Base-Projected	Allocation Factor	Total North Dakota	Residential			Total Residential	Firm General-Meter < 500 cubic feet			Total Small Firm General
			Demand	Energy	Customer		Demand	Energy	Customer	
Gas Plant in Service										
Production Plant	3	0	0	0	0	0	0	0	0	0
Land	13	49	18	0	11	29	4	0	1	5
Rights of Way	13	239	83	0	50	133	20	0	5	25
Structures & Improvements	40	180	65	0	39	104	16	0	4	20
Direct	Direct	77	0	0	0	0	0	0	0	0
Mains - \$64,704-Directly Assigned \$2,499										
Demand Related 75%	2	46,654	22,599	0	0	22,599	5,386	0	0	5,386
Customer Related 25%	8	15,551	0	0	13,479	13,479	0	0	1,468	1,468
Directly Assigned Demand Related 75%	Direct	1,874	0	0	0	0	0	0	0	0
Directly Assigned Customer Related 25%	Direct	625	0	0	0	0	0	0	0	0
Meas. & Reg. Equip. - General	40	1,310	477	0	284	761	113	0	31	144
Direct	Direct	152	0	0	0	0	0	0	0	0
Meas. & Reg. Equip. - City Gate	13	9,593	3,351	0	1,998	5,349	799	0	218	1,017
Direct	Direct	0	0	0	0	0	0	0	0	0
Services	37	32,048	0	0	25,765	25,765	0	0	4,012	4,012
Direct	Direct	121	0	0	0	0	0	0	0	0
Meters	9	24,708	0	0	16,446	16,446	0	0	1,970	1,970
Direct	Direct	52	0	0	0	0	0	0	0	0
Service Regulators	9	3,330	0	0	2,216	2,216	0	0	266	266
Direct	Direct	14	0	0	0	0	0	0	0	0
Ind. Meas. & Reg. Station Equipment	40	140	51	0	30	81	12	0	3	15
Direct	Direct	327	0	0	0	0	0	0	0	0
Property on Customer Premise	13	115	40	0	24	64	10	0	3	13
Cathodic Protection & Other Equipment	40	1,115	405	0	242	647	97	0	26	123
Direct	Direct	2	0	0	0	0	0	0	0	0
Distribution Plant		138,276	27,089	0	60,584	87,673	6,457	0	8,007	14,464
Distribution Plant Excluding Direct Assignments		135,109	27,089	0	60,584	87,673	6,457	0	8,007	14,464
General Plant	38	8,954	1,796	0	4,017	5,813	428	0	531	959
Direct	Direct	399	0	0	0	0	0	0	0	0
Intangible Plant - General	15	3,705	726	0	1,623	2,349	173	0	215	388
Common Plant Excluding CC&B	15	15,175	2,973	0	6,647	9,620	709	0	879	1,588
Common (CC&B)	4	6,930	0	0	6,006	6,006	0	0	654	654
Acquisition Adjustment	15	97	19	0	41	60	5	0	6	11
Total Gas Plant in Service		173,536	32,603	0	78,918	111,521	7,772	0	10,292	18,064

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MONTANA-DAKOTA UTILITIES CO.
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	Allocation Factor	Total North Dakota	Residential			Total Residential	Firm General-Meter < 500 cubic feet			Total Small Firm General
			Demand	Energy	Customer		Demand	Energy	Customer	
Less: Accumulated Depreciation										
Production Plant	39	0	0	0	0	0	0	0	0	0
Distribution Plant										
Rights of Way	13	50	19	0	11	30	4	0	1	5
Structures & Improvements	23	163	41	0	25	66	10	0	3	13
Mains	40	29,594	10,751	0	6,414	17,165	2,562	0	698	3,260
Direct	Direct	13	0	0	0	0	0	0	0	0
Meas. & Reg. Equip. - General	18	512	168	0	98	266	40	0	11	51
Meas. & Reg. Equip. - City Gate	19	405	141	0	84	225	34	0	9	43
Services	37	23,825	0	0	19,154	19,154	0	0	2,983	2,983
Direct	Direct	16	0	0	0	0	0	0	0	0
Meters	5	8,214	0	0	5,462	5,462	0	0	654	654
Direct	Direct	6	0	0	0	0	0	0	0	0
Service Regulators	9	1,189	0	0	791	791	0	0	95	95
Direct	Direct	1	0	0	0	0	0	0	0	0
Ind. Meas. & Reg. Station Equipment	21	253	27	0	16	43	7	0	2	9
Property on Customer Premise	13	125	44	0	26	70	10	0	3	13
Cathodic Protection & Other Equipment	13	1,020	357	0	212	569	85	0	23	108
Distribution Plant		65,386	11,548	0	32,293	43,841	2,752	0	4,482	7,234
General Plant	38	2,531	508	0	1,136	1,644	121	0	150	271
Direct	Direct	117	0	0	0	0	0	0	0	0
Intangible Plant - General	15	594	116	0	259	375	28	0	34	62
Common Plant	15	3,739	732	0	1,637	2,369	175	0	217	392
Intangible Plant - Common	15	3,534	692	0	1,549	2,241	165	0	205	370
Intangible Plant - Common-CC&B	4	0	0	0	0	0	0	0	0	0
Acquisition Adjustment	15	60	13	0	26	39	3	0	3	6
Less: Total Accumulated Reserve for Depreciation		75,961	13,609	0	36,900	50,509	3,244	0	5,091	8,335
Net Gas Plant in Service		97,575	18,994	0	42,018	61,012	4,528	0	5,201	9,729
CWIP in Service	15	0	0	0	0	0	0	0	0	0
Total Gas Plant in Service		97,575	18,994	0	42,018	61,012	4,528	0	5,201	9,729
Additions										
Materials & Supplies	15	2,260	443	0	990	1,433	106	0	131	237
Fuel Stocks	10	35	15	0	0	15	8	0	0	8
Prepayments	25	193	36	0	90	126	9	0	11	20
Unamortized Loss on Debt	24	629	122	0	271	393	29	0	34	63
Gain on Sale of Williston Office	24	(282)	(55)	0	(121)	(176)	(13)	0	(15)	(28)
Total Additions		2,835	561	0	1,230	1,791	139	0	161	300
Total Before Deductions		100,410	19,555	0	43,248	62,803	4,667	0	5,362	10,029

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Allocation Factor	Total North Dakota	Residential			Total Residential	Firm General-Meter < 500 cubic feet			Total Small Firm General	
		Demand	Energy	Customer		Demand	Energy	Customer		
Deductions										
Accumulated Deferred Income Tax	24	(16,139)	(3,142)	0	(6,949)	(10,091)	(749)	0	(860)	(1,609)
Accumulated Investment Tax Credit	24	0	0	0	0	0	0	0	0	0
Customer Advances For Construction	Direct	(6,580)	(1,289)		(2,883)	(4,172)	(307)		(381)	(688)
Total Deductions		(22,719)	(4,431)	0	(9,832)	(14,263)	(1,056)	0	(1,241)	(2,297)
Total Rate Base		77,691	15,124	0	33,416	48,540	3,611	0	4,121	7,732
Income Statement										
Gas Operating Revenues										
Retail Sales & Transportation										
Residential	Direct	57,715	9,690	38,231	9,794	57,715	0	0	0	0
Firm General	Direct	40,103	0	0	0	0	2,401	7,544	1,854	11,799
Air Force Delivery	Direct	2,305	0	0	0	0	0	0	0	0
Small Interruptible	Direct	5,550	0	0	0	0	0	0	0	0
Large Interruptible	Direct	1,416	0	0	0	0	0	0	0	0
Total Sales & Transportation Revenues		107,089	9,690	38,231	9,794	57,715	2,401	7,544	1,854	11,799
Other Operating Revenue										
Miscellaneous										
Reconnect Fees	6	1	0	0	1	1	0	0	0	0
Minor Maintenance Fee Rate 65	Direct	456	0	0	0	0	0	0	0	0
NSF Check Fees & Other	6	16	0	0	13	13	0	0	2	2
Miscellaneous	24	11	2	0	3	5	1	0	1	2
Rent From Gas Property	24	567	110	0	246	356	26	0	30	56
Other Gas Revenues										
Miscellaneous	31	185	21	2	98	121	5	1	12	18
Transport and Penalty Revenue - Net	24	11	1	0	3	4	1	0	1	2
Total Other Operating Revenue		1,247	134	2	364	500	33	1	46	80
Unbilled Revenue	26	791	134	2	364	500	33	1	46	80
		0	0	0	0	0	0	0	0	0
Total Operating Revenues		108,336	9,824	38,233	10,158	58,215	2,434	7,545	1,900	11,879
Operation & Maintenance Expenses										
Cost of Purchased Gas	Direct	79,840	9,695	31,471	0	41,166	2,403	6,475	0	8,878
Production Expense										
Production Expense	39	0	0	0	0	0	0	0	0	0
Other Gas Supply Expenses	3	125	0	64	0	64	0	14	0	14
Total Production Expense		125	0	64	0	64	0	14	0	14

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	Allocation Factor	Total North Dakota	Residential			Total Residential	Firm General-Meter < 500 cubic feet			Total Small Firm General
			Demand	Energy	Customer		Demand	Energy	Customer	
Distribution Expenses										
Operation										
Load Dispatch	1	127	0	48	0	48	0	10	0	10
Mains and Services	22	2,148	502	0	871	1,373	119	0	122	241
Measuring Stations - General	18	60	19	0	12	31	5	0	1	6
Measuring Stations - Industrial	21	44	7	0	2	9	1	0	0	1
Measuring Stations - City Gate	19	2	2	0	0	2	0	0	0	0
Meters & House Regulators	16	499	0	0	331	331	0	0	40	40
Customer Installations	5	783	0	0	520	520	0	0	62	62
Other Gas Distribution	27	1,959	282	26	924	1,232	67	5	120	192
Rents	27	98	14	1	47	62	3	0	6	9
Supervision & Engineering	27	1,311	189	17	618	824	45	4	80	129
Direct -Minot AFB Distribution System	Direct	18	0	0	0	0	0	0	0	0
Total Operation Expense		7,049	1,015	92	3,325	4,432	240	19	431	690
Maintenance										
Structures & Improvements	13	4	2	0	1	3	0	0	0	0
Mains	13	136	49	0	28	77	11	0	3	14
Measuring Stations - General	18	35	11	0	7	18	3	0	1	4
Measuring Stations - Industrial	21	23	3	0	1	4	1	0	0	1
Measuring Stations - City Gate	19	0	0	0	0	0	0	0	0	0
Services	5	197	0	0	131	131	0	0	16	16
Meters & House Regulators	16	447	0	0	295	295	0	0	36	36
Other Equipment	28	91	7	0	47	54	2	0	6	8
Supervision & Engineering	28	155	12	0	81	93	3	0	10	13
Direct -Minot AFB Distribution System	Direct	27	0	0	0	0	0	0	0	0
Total Maintenance Expense		1,115	84	0	591	675	20	0	72	92
Total Distribution Expenses		8,164	1,099	92	3,916	5,107	260	19	503	782
Customer Accounts	4	127	0	0	110	110	0	0	12	12
Meter Reading	5	310	0	0	207	207	0	0	25	25
Customer Records & Collection	4	1,536	0	0	1,332	1,332	0	0	145	145
Uncollectible Accounts	6	109	0	0	95	95	0	0	10	10
Miscellaneous Customer Accounts	4	229	0	0	198	198	0	0	22	22
Customer Service & Information	4	246	0	0	214	214	0	0	23	23
Sales Expenses	4	127	0	0	110	110	0	0	12	12
Administration & General Expenses	30	6,190	833	70	2,968	3,871	197	14	381	592
Total Gas O&M Expenses		97,003	11,627	31,697	9,150	52,474	2,860	6,522	1,133	10,515

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	Allocation Factor	Total North Dakota	Residential			Total Residential	Firm General-Meter < 500 cubic feet			Total Small Firm General
			Demand	Energy	Customer		Demand	Energy	Customer	
O&M Excl. Cost of Gas and A&G		10,973	1,099	156	6,182	7,437	260	33	752	1,045
O&M Excl. Cost of Gas		17,163	1,932	226	9,150	11,308	457	47	1,133	1,637
Depreciation Expense										
Production Plant	39	0	0	0	0	0	0	0	0	0
Distribution Plant										
Rights of Way	13	3	1	0	1	2	0	0	0	0
Structures & Improvements	23	7	2	0	1	3	0	0	0	0
Mains	40	1,305	473	0	283	756	113	0	31	144
Direct -Minot AFB Distribution System	Direct	14	0	0	0	0	0	0	0	0
Meas. & Reg. Equip. - General	18	45	15	0	9	24	3	0	1	4
Meas. & Reg. Equip. - City Gate	19	227	79	0	47	126	19	0	5	24
Services	17	1,719	0	0	1,383	1,383	0	0	215	215
Direct -Minot AFB Distribution System Meters	Direct	5	0	0	0	0	0	0	0	0
Meters	5	705	0	0	469	469	0	0	56	56
Direct -Minot AFB Distribution System Service Regulators	Direct	2	0	0	0	0	0	0	0	0
Service Regulators	20	51	0	0	35	35	0	0	4	4
Ind. Meas. & Reg. Station Equipment	21	16	2	0	1	3	1	0	0	1
Cathodic Protection & Other Equipment	13	284	99	0	59	158	24	0	6	30
Total Distribution Plant		4,383	671	0	2,288	2,959	160	0	318	478
General Plant	38	147	29	0	67	96	7	0	9	16
Direct -Minot AFB Distribution System Amort. of Intangible Plant - General	Direct	7	0	0	0	0	0	0	0	0
Amort. of Intangible Plant - General	15	112	22	0	50	72	5	0	6	11
Common Plant	15	370	73	0	164	237	17	0	21	38
Amort. of Intangible Plant - Common Acquisition Adjustment	15	615	120	0	269	389	29	0	36	65
Acquisition Adjustment	15	3	1	0	1	2	0	0	0	0
Total Depreciation Expense		5,637	916	0	2,839	3,755	218	0	390	608
Taxes Other Than Income										
Ad Valorem Taxes-Production	39	0	0	0	0	0	0	0	0	0
Ad Valorem Taxes-Other	15	811	159	0	356	515	38	0	47	85
Other Taxes - Payroll, Franchise, Other	31	750	84	10	400	494	20	2	50	72
Other Taxes - Minot AFB Distribution- Direct	Direct	1	0	0	0	0	0	0	0	0
Other Taxes - Revenue	26	1	0	1	0	1	0	0	0	0
Total Taxes Other Than Income Taxes		1,563	243	11	756	1,010	58	2	97	157
Total Operating Expense		104,203	12,786	31,708	12,745	57,239	3,136	6,524	1,620	11,280
Interest Expense	36	2,130	420	0	930	1,350	100	0	115	215
Direct -Minot AFB Distribution System	Direct	28	0	0	0	0	0	0	0	0
Taxable Income		1,975	(3,382)	6,525	(3,517)	(374)	(802)	1,021	165	384
Income Taxes	37.9445%	747	(1,284)	2,476	(1,335)	(143)	(304)	387	63	146
Full Normalization	24	(100)	(19)	0	(43)	(62)	(5)	0	(5)	(10)
Total Income Taxes		647	(1,303)	2,476	(1,378)	(205)	(309)	387	58	136
Total Operating Expense		104,850	11,483	34,184	11,367	57,034	2,827	6,911	1,678	11,416
Operating Income:		3,486	(1,659)	4,049	(1,209)	1,181	(393)	634	222	463

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Rate Base-Projected	Allocation Factor	Total North Dakota	Firm General > 500 cubic feet			Total Large Firm General	Air Force Delivery			Total Air Force Delivery
			Demand	Energy	Customer		Demand	Energy	Customer	
Gas Plant in Service										
Production Plant	3	0	0	0	0	0	0	0	0	0
Land	13	49	9	0	0	9	0	0	0	0
Rights of Way	13	239	42	0	2	44	0	0	0	0
Structures & Improvements	40	180	33	0	2	35	0	0	0	0
Direct	Direct	77	0	0	0	0	22	0	0	22
Mains - \$64,704-Directly Assigned \$2,499										
Demand Related 75%	2	46,654	11,369	0	0	11,369	0	0	0	0
Customer Related 25%	8	15,551	0	0	580	580	0	0	0	0
Directly Assigned Demand Related 75%	Direct	1,874	0	0	0	0	0	0	0	0
Directly Assigned Customer Related 25%	Direct	625	0	0	0	0	0	0	0	0
Meas. & Reg. Equip. - General	40	1,310	239	0	12	251	0	0	0	0
Direct	Direct	152	0	0	0	0	0	0	0	0
Meas. & Reg. Equip. - City Gate	13	9,593	1,686	0	86	1,772	0	0	0	0
Direct	Direct	0	0	0	0	0	0	0	0	0
Services	37	32,048	0	0	2,096	2,096	0	0	0	0
Direct	Direct	121	0	0	0	0	0	0	0	0
Meters	9	24,708	0	0	5,522	5,522	0	0	32	32
Direct	Direct	52	0	0	0	0	0	0	0	0
Service Regulators	9	3,330	0	0	744	744	0	0	4	4
Direct	Direct	14	0	0	0	0	0	0	0	0
Ind. Meas. & Reg. Station Equipment	40	140	26	0	1	27	0	0	0	0
Direct	Direct	327	0	0	0	0	0	0	94	94
Property on Customer Premise	13	115	20	0	1	21	0	0	0	0
Cathodic Protection & Other Equipment	40	1,115	204	0	10	214	0	0	0	0
Direct	Direct	2	0	0	0	0	0	0	0	0
Distribution Plant		138,276	13,628	0	9,056	22,684	22	0	130	152
Distribution Plant Excluding Direct Assignments		135,109	13,628	0	9,056	22,684	0	0	36	58
General Plant	38	8,954	904	0	601	1,505	0	0	2	2
Direct	Direct	399	0	0	0	0	0	0	0	0
Intangible Plant - General	15	3,705	365	0	243	608	1	0	3	4
Common Plant Excluding CC&B	15	15,175	1,496	0	994	2,490	2	0	14	16
Common (CC&B)	4	6,930	0	0	259	259	0	0	0	0
Acquisition Adjustment	15	97	10	0	6	16	0	0	0	0
Total Gas Plant in Service		173,536	16,403	0	11,159	27,562	25	0	149	174

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	Allocation Factor	Total North Dakota	Firm General > 500 cubic feet			Total Large Firm General	Air Force Delivery			Total Air Force Delivery
			Demand	Energy	Customer		Demand	Energy	Customer	
Less: Accumulated Depreciation										
Production Plant	39	0	0	0	0	0	0	0	0	0
Distribution Plant										
Rights of Way	13	50	9	0	0	9	0	0	0	0
Structures & Improvements	23	163	21	0	1	22	14	0	0	14
Mains	40	29,594	5,409	0	276	5,685	0	0	0	0
Direct	Direct	13	0	0	0	0	0	0	0	0
Meas. & Reg. Equip. - General	18	512	84	0	4	88	0	0	0	0
Meas. & Reg. Equip. - City Gate	19	405	71	0	4	75	0	0	0	0
Services	37	23,825	0	0	1,558	1,558	0	0	0	0
Direct	Direct	16	0	0	0	0	0	0	0	0
Meters	5	8,214	0	0	1,834	1,834	0	0	10	10
Direct	Direct	6	0	0	0	0	0	0	0	0
Service Regulators	9	1,189	0	0	266	266	0	0	2	2
Direct	Direct	1	0	0	0	0	0	0	0	0
Ind. Meas. & Reg. Station Equipment	21	253	14	0	1	15	0	0	51	51
Property on Customer Premise	13	125	22	0	1	23	0	0	0	0
Cathodic Protection & Other Equipment	13	1,020	179	0	9	188	0	0	0	0
Distribution Plant		65,386	5,809	0	3,954	9,763	14	0	63	77
General Plant	38	2,531	255	0	170	425	0	0	1	1
Direct	Direct	117	0	0	0	0	0	0	0	0
Intangible Plant - General	15	594	59	0	39	98	0	0	1	1
Common Plant	15	3,739	369	0	245	614	1	0	4	5
Intangible Plant - Common	15	3,534	348	0	231	579	1	0	3	4
Intangible Plant - Common-CC&B	4	0	0	0	0	0	0	0	0	0
Acquisition Adjustment	15	60	6	0	4	10	0	0	0	0
Less: Total Accumulated Reserve for Depreciation		75,961	6,846	0	4,643	11,489	16	0	72	88
Net Gas Plant in Service		97,575	9,557	0	6,516	16,073	9	0	77	86
CWIP in Service	15	0	0	0	0	0	0	0	0	0
Total Gas Plant in Service		97,575	9,557	0	6,516	16,073	9	0	77	86
Additions										
Materials & Supplies	15	2,260	223	0	148	371	0	0	2	2
Fuel Stocks	10	35	12	0	0	12	0	0	0	0
Prepayments	25	193	18	0	12	30	0	0	0	0
Unamortized Loss on Debt	24	629	62	0	42	104	0	0	0	0
Gain on Sale of Williston Office	24	(282)	(28)	0	(19)	(47)	0	0	0	0
Total Additions		2,835	287	0	183	470	0	0	2	2
Total Before Deductions		100,410	9,844	0	6,699	16,543	9	0	79	88

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Allocation Factor	Total North Dakota	Firm General > 500 cubic feet			Total Large Firm General	Air Force Delivery			Total Air Force Delivery	
		Demand	Energy	Customer		Demand	Energy	Customer		
Deductions										
Accumulated Deferred Income Tax	24	(16,139)	(1,581)	0	(1,078)	(2,659)	(1)	0	(13)	(14)
Accumulated Investment Tax Credit	24	0	0	0	0	0	0	0	0	0
Customer Advances For Construction	Direct	(6,580)	(648)		(431)	(1,079)	0	0	0	0
Total Deductions		(22,719)	(2,229)	0	(1,509)	(3,738)	(1)	0	(13)	(14)
Total Rate Base		77,691	7,615	0	5,190	12,805	8	0	66	74
Income Statement										
Gas Operating Revenues										
Retail Sales & Transportation										
Residential	Direct	57,715	0	0	0	0	0	0	0	0
Firm General	Direct	40,103	5,570	20,267	2,467	28,304				0
Air Force Delivery	Direct	2,305	0	0	0	0	165	2,125	15	2,305
Small Interruptible	Direct	5,550	0	0	0	0	0	0	0	0
Large Interruptible	Direct	1,416	0	0	0	0	0	0	0	0
Total Sales & Transportation Revenues		107,089	5,570	20,267	2,467	28,304	165	2,125	15	2,305
Other Operating Revenue										
Miscellaneous										
Reconnect Fees	6	1	0	0	0	0	0	0	0	0
Minot Maintenance Fee Rate 65	Direct	456	0	0	0	0	0	0	0	0
NSF Check Fees & Other	6	16	0	0	1	1	0	0	0	0
Miscellaneous	24	11	1	0	1	2	0	0	1	1
Rent From Gas Property	24	567	56	0	38	94	0	0	0	0
Other Gas Revenues										
Miscellaneous	31	185	10	1	18	29	0	0	1	1
Transport and Penalty Revenue - Net	24	11	1	0	1	2	1	0	1	2
Total Other Operating Revenue		1,247	68	1	59	128	1	0	3	4
Unbilled Revenue	26	791	68	1	59	128	1	0	3	4
		0	0	0	0	0	0	0	0	0
Total Operating Revenues		108,336	5,638	20,268	2,526	28,432	166	2,125	18	2,309
Operation & Maintenance Expenses										
Cost of Purchased Gas	Direct	79,840	5,573	17,495	0	23,068	175	2,044	0	2,219
Production Expense										
Production Expense	39	0	0	0	0	0	0	0	0	0
Other Gas Supply Expenses	3	125	0	35	0	35	0	4	0	4
Total Production Expense		125	0	35	0	35	0	4	0	4

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Allocation Factor	Total North Dakota	Firm General > 500 cubic feet			Total Large Firm General	Air Force Delivery			Total Air Force Delivery	
		Demand	Energy	Customer		Demand	Energy	Customer		
Distribution Expenses										
Operation										
Load Dispatch	1	127	0	26	0	26	0	3	0	3
Mains and Services	22	2,148	252	0	59	311	0	0	0	0
Measuring Stations - General	18	60	10	0	0	10	0	0	0	0
Measuring Stations - Industrial	21	44	2	0	0	2	0	0	9	9
Measuring Stations - City Gate	19	2	0	0	0	0	0	0	0	0
Meters & House Regulators	16	499	0	0	111	111	0	0	1	1
Customer Installations	5	783	0	0	175	175	0	0	1	1
Other Gas Distribution	27	1,959	140	14	184	338	0	2	6	8
Rents	27	98	7	1	9	17	0	0	0	0
Supervision & Engineering	27	1,311	94	9	123	226	0	1	4	5
Direct -Minot AFB Distribution System	Direct	18	0	0	0	0	0	0	0	0
Total Operation Expense		7,049	505	50	661	1,216	0	6	21	27
Maintenance										
Structures & Improvements	13	4	1	0	0	1	0	0	0	0
Mains	13	136	24	0	1	25	0	0	0	0
Measuring Stations - General	18	35	6	0	0	6	0	0	0	0
Measuring Stations - Industrial	21	23	1	0	0	1	0	0	5	5
Measuring Stations - City Gate	19	0	0	0	0	0	0	0	0	0
Services	5	197	0	0	44	44	0	0	0	0
Meters & House Regulators	16	447	0	0	100	100	0	0	1	1
Other Equipment	28	91	3	0	15	18	0	0	1	1
Supervision & Engineering	28	155	6	0	26	32	0	0	1	1
Direct -Minot AFB Distribution System	Direct	27	0	0	0	0	0	0	0	0
Total Maintenance Expense		1,115	41	0	186	227	0	0	8	8
Total Distribution Expenses		8,164	546	50	847	1,443	0	6	29	35
Customer Accounts										
Customer Accounts	4	127	0	0	5	5	0	0	0	0
Meter Reading	5	310	0	0	69	69	0	0	0	0
Customer Records & Collection	4	1,536	0	0	57	57	0	0	0	0
Uncollectible Accounts	6	109	0	0	4	4	0	0	0	0
Miscellaneous Customer Accounts	4	229	0	0	9	9	0	0	0	0
Customer Service & Information	4	246	0	0	9	9	0	0	0	0
Sales Expenses	4	127	0	0	5	5	0	0	0	0
Administration & General Expenses	30	6,190	414	38	642	1,094	0	5	22	27
Total Gas O&M Expenses		97,003	6,533	17,618	1,647	25,798	175	2,059	51	2,285

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Allocation Factor	Total North Dakota	Firm General > 500 cubic feet			Total Large Firm General	Air Force Delivery			Total Air Force Delivery
		Demand	Energy	Customer		Demand	Energy	Customer	
O&M Excl. Cost of Gas and A&G	10,973	546	85	1,005	1,636	0	10	29	39
O&M Excl. Cost of Gas	17,163	960	123	1,647	2,730	0	15	51	66
Depreciation Expense									
Production Plant	39	0	0	0	0	0	0	0	0
Distribution Plant									
Rights of Way	13	3	1	0	1	0	0	0	0
Structures & Improvements	23	7	1	0	1	1	0	0	1
Mains	40	1,305	239	0	12	251	0	0	0
Direct -Minot AFB Distribution System	Direct	14	0	0	0	0	0	0	0
Meas. & Reg. Equip. - General	18	45	7	0	0	7	0	0	0
Meas. & Reg. Equip. - City Gate	19	227	40	0	2	42	0	0	0
Services	17	1,719	0	0	112	112	0	0	0
Direct -Minot AFB Distribution System	Direct	5	0	0	0	0	0	0	0
Meters	5	705	0	0	157	157	0	0	1
Direct -Minot AFB Distribution System	Direct	2	0	0	0	0	0	0	0
Service Regulators	20	51	0	0	11	11	0	0	0
Ind. Meas. & Reg. Station Equipment	21	16	1	0	0	1	0	0	3
Cathodic Protection & Other Equipment	13	284	50	0	3	53	0	0	0
Total Distribution Plant		4,383	339	0	297	636	1	0	4
General Plant	38	147	15	0	10	25	0	0	0
Direct -Minot AFB Distribution System	Direct	7	0	0	0	0	0	0	0
Amort. of Intangible Plant - General	15	112	11	0	7	18	0	0	0
Common Plant	15	370	36	0	24	60	0	0	0
Amort. of Intangible Plant - Common	15	615	61	0	40	101	0	0	1
Acquisition Adjustment	15	3	0	0	0	0	1	0	1
Total Depreciation Expense		5,637	462	0	378	840	2	0	5
Taxes Other Than Income									
Ad Valorem Taxes-Production	39	0	0	0	0	0	0	0	0
Ad Valorem Taxes-Other	15	811	80	0	53	133	0	0	1
Other Taxes - Payroll, Franchise, Other	31	750	42	5	72	119	0	1	2
Other Taxes - Minot AFB Distribution- Direct	Direct	1	0	0	0	0	0	0	0
Other Taxes - Revenue	26	1	0	0	0	0	0	0	0
Total Taxes Other Than Income Taxes		1,563	122	5	125	252	0	1	3
Total Operating Expense		104,203	7,117	17,623	2,150	26,890	177	2,060	59
Interest Expense	36	2,130	211	0	144	355	0	0	2
Direct -Minot AFB Distribution System	Direct	28	0	0	0	0	0	0	0
Taxable Income		1,975	(1,690)	2,645	232	1,187	(11)	65	(43)
Income Taxes	37.9445%	747	(641)	1,004	88	451	(4)	25	(16)
Full Normalization	24	(100)	(10)	0	(7)	(17)	0	0	0
Total Income Taxes		647	(651)	1,004	81	434	(4)	25	(16)
Total Operating Expense		104,850	6,466	18,627	2,231	27,324	173	2,085	43
Operating Income:		3,486	(828)	1,641	295	1,108	(7)	40	(25)

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Rate Base-Projected	Allocation Factor	Total North Dakota	Small Interruptible			Total Small Interruptible	Large Interruptible			Total Large Interruptible
			Demand	Energy	Customer		Demand	Energy	Customer	
Gas Plant in Service										
Production Plant	3	0	0	0	0	0	0	0	0	0
Land	13	49	4	0	0	4	2	0	0	2
Rights of Way	13	239	21	0	0	21	11	0	2	13
Structures & Improvements	40	180	16	0	0	16	5	0	0	5
Direct	Direct	77	0	0	0	0	55	0	0	55
Mains - \$64,704-Directly Assigned \$2,499										
Demand Related 75%	2	46,654	5,699	0	0	5,699	1,601	0	0	1,601
Customer Related 25%	8	15,551	0	0	23	23	0	0	1	1
Directly Assigned Demand Related 75%	Direct	1,874	0	0	0	0	1,360	0	0	1,360
Directly Assigned Customer Related 25%	Direct	625	0	0	0	0	0	0	454	454
Meas. & Reg. Equip. - General	40	1,310	120	0	0	120	34	0	0	34
Direct	Direct	152	0	0	0	0	152	0	0	152
Meas. & Reg. Equip. - City Gate	13	9,593	845	0	3	848	439	0	67	506
Direct	Direct	0	0	0	0	0	0	0	0	0
Services	37	32,048	0	0	168	168	0	0	7	7
Direct	Direct	121	0	0	0	0	0	0	5	5
Meters	9	24,708	0	0	652	652	0	0	86	86
Direct	Direct	52	0	0	0	0	0	0	0	0
Service Regulators	9	3,330	0	0	88	88	0	0	12	12
Direct	Direct	14	0	0	0	0	0	0	0	0
Ind. Meas. & Reg. Station Equipment	40	140	13	0	0	13	4	0	0	4
Direct	Direct	327	0	0	0	0	0	0	233	233
Property on Customer Premise	13	115	10	0	0	10	5	0	1	6
Cathodic Protection & Other Equipment	40	1,115	102	0	0	102	29	0	0	29
Direct	Direct	2	0	0	0	0	0	0	0	0
Distribution Plant		138,276	6,830	0	934	7,764	3,697	0	868	4,565
Distribution Plant Excluding Direct Assignments		135,109	6,830	0	934	7,764	2,130	0	176	2,361
General Plant	38	8,954	453	0	62	515	141	0	12	153
Direct	Direct	399	0	0	0	0	0	0	0	0
Intangible Plant - General	15	3,705	183	0	25	208	99	0	23	122
Common Plant Excluding CC&B	15	15,175	750	0	103	853	406	0	95	501
Common (CC&B)	4	6,930	0	0	10	10	0	0	1	1
Acquisition Adjustment	15	97	5	0	1	6	3	0	1	4
Total Gas Plant in Service		173,536	8,221	0	1,135	9,356	4,346	0	1,000	5,346

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	Allocation Factor	Total North Dakota	Small Interruptible			Total Small Interruptible	Large Interruptible			Total Large Interruptible
			Demand	Energy	Customer		Demand	Energy	Customer	
Less: Accumulated Depreciation										
Production Plant	39	0	0	0	0	0	0	0	0	0
Distribution Plant										
Rights of Way	13	50	4	0	0	4	2	0	0	2
Structures & Improvements	23	163	10	0	0	10	38	0	0	38
Mains	40	29,594	2,711	0	11	2,722	762	0	0	762
Direct	Direct	13	0	0	0	0	0	0	0	0
Meas. & Reg. Equip. - General	18	512	42	0	0	42	65	0	0	65
Meas. & Reg. Equip. - City Gate	19	405	36	0	0	36	19	0	3	22
Services	37	23,825	0	0	125	125	0	0	5	5
Direct	Direct	16	0	0	0	0	0	0	0	0
Meters	5	8,214	0	0	216	216	0	0	38	38
Direct	Direct	6	0	0	0	0	0	0	0	0
Service Regulators	9	1,189	0	0	31	31	0	0	4	4
Direct	Direct	1	0	0	0	0	0	0	0	0
Ind. Meas. & Reg. Station Equipment	21	253	7	0	0	7	2	0	126	128
Property on Customer Premise	13	125	11	0	0	11	6	0	1	7
Cathodic Protection & Other Equipment	13	1,020	90	0	0	90	47	0	7	54
Distribution Plant		65,386	2,911	0	383	3,294	941	0	184	1,125
General Plant	38	2,531	128	0	18	146	40	0	3	43
Direct	Direct	117	0	0	0	0	0	0	0	0
Intangible Plant - General	15	594	29	0	4	33	16	0	4	20
Common Plant	15	3,739	185	0	25	210	100	0	23	123
Intangible Plant - Common	15	3,534	175	0	24	199	94	0	22	116
Intangible Plant - Common-CC&B	4	0	0	0	0	0	0	0	0	0
Acquisition Adjustment	15	60	3	0	0	3	2	0	0	2
Less: Total Accumulated Reserve for Depreciation		75,961	3,431	0	454	3,885	1,193	0	236	1,429
Net Gas Plant in Service		97,575	4,790	0	681	5,471	3,153	0	764	3,917
CWIP in Service	15	0	0	0	0	0	0	0	0	0
Total Gas Plant in Service		97,575	4,790	0	681	5,471	3,153	0	764	3,917
Additions										
Materials & Supplies	15	2,260	112	0	15	127	60	0	14	74
Fuel Stocks	10	35	0	0	0	0	0	0	0	0
Prepayments	25	193	9	0	1	10	5	0	1	6
Unamortized Loss on Debt	24	629	31	0	4	35	20	0	5	25
Gain on Sale of Williston Office	24	(282)	(14)	0	(2)	(16)	(9)	0	(2)	(11)
Total Additions		2,835	138	0	18	156	76	0	18	94
Total Before Deductions		100,410	4,928	0	699	5,627	3,229	0	782	4,011

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Allocation Factor	Total North Dakota	Small Interruptible			Total Small Interruptible	Large Interruptible			Total Large Interruptible	
		Demand	Energy	Customer		Demand	Energy	Customer		
Deductions										
Accumulated Deferred Income Tax	24	(16,139)	(792)	0	(113)	(905)	(522)	0	(126)	(648)
Accumulated Investment Tax Credit	24	0	0	0	0	0	0	0	0	0
Customer Advances For Construction	Direct	(6,580)	(531)		(110)	(641)	0	0	0	0
Total Deductions		(22,719)	(1,323)	0	(223)	(1,546)	(522)	0	(126)	(648)
Total Rate Base		77,691	3,605	0	476	4,081	2,707	0	656	3,363
Income Statement										
Gas Operating Revenues										
Retail Sales & Transportation										
Residential	Direct	57,715	0	0	0	0	0	0	0	0
Firm General	Direct	40,103	0	0	0	0	0	0	0	0
Air Force Delivery	Direct	2,305	0	0	0	0	0	0	0	0
Small Interruptible	Direct	5,550	372	4,960	218	5,550	0	0	0	0
Large Interruptible	Direct	1,416	0	0	0	0	8	1,339	69	1,416
Total Sales & Transportation Revenues		107,089	372	4,960	218	5,550	8	1,339	69	1,416
Other Operating Revenue										
Miscellaneous										
Reconnect Fees	6	1	0	0	0	0	0	0	0	0
Minot Maintenance Fee Rate 65	Direct	456	0	0	0	0	0	0	0	0
NSF Check Fees & Other	6	16	0	0	0	0	0	0	0	0
Miscellaneous	24	11	1	0	0	1	0	0	0	0
Rent From Gas Property	24	567	28	0	4	32	18	0	4	22
Other Gas Revenues										
Miscellaneous	31	185	5	1	2	8	3	1	2	6
Transport and Penalty Revenue - Net	24	11	1	0	0	1	0	0	0	0
Total Other Operating Revenue		1,247	35	1	6	42	21	1	6	28
Unbilled Revenue	26	791	35	1	6	42	21	1	6	28
		0	0	0	0	0	0	0	0	0
Total Operating Revenues		108,336	407	4,961	224	5,592	29	1,340	75	1,444
Operation & Maintenance Expenses										
Cost of Purchased Gas	Direct	79,840	352	4,058	0	4,410	8	91	0	99
Production Expense										
Production Expense	39	0	0	0	0	0	0	0	0	0
Other Gas Supply Expenses	3	125	0	8	0	8	0	0	0	0
Total Production Expense		125	0	8	0	8	0	0	0	0

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	Allocation Factor	Total North Dakota	Small Interruptible			Total Small Interruptible	Large Interruptible			Total Large Interruptible
			Demand	Energy	Customer		Demand	Energy	Customer	
Distribution Expenses										
Operation										
Load Dispatch	1	127	0	12	0	12	0	28	0	28
Mains and Services	22	2,148	126	0	4	130	66	0	10	76
Measuring Stations - General	18	60	5	0	0	5	8	0	0	8
Measuring Stations - Industrial	21	44	1	0	0	1	0	0	22	22
Measuring Stations - City Gate	19	2	0	0	0	0	0	0	0	0
Meters & House Regulators	16	499	0	0	13	13	0	0	2	2
Customer Installations	5	783	0	0	21	21	0	0	4	4
Other Gas Distribution	27	1,959	70	6	20	96	39	15	20	74
Rents	27	98	4	0	1	5	2	1	1	4
Supervision & Engineering	27	1,311	47	4	14	65	26	10	14	50
Direct - Minot AFB Distribution System	Direct	18	0	0	0	0	0	0	0	0
Total Operation Expense		7,049	253	22	73	348	141	54	73	268
Maintenance										
Structures & Improvements	13	4	0	0	0	0	0	0	0	0
Mains	13	136	12	0	0	12	6	0	1	7
Measuring Stations - General	18	35	3	0	0	3	4	0	0	4
Measuring Stations - Industrial	21	23	1	0	0	1	0	0	11	11
Measuring Stations - City Gate	19	0	0	0	0	0	0	0	0	0
Services	5	197	0	0	5	5	0	0	1	1
Meters & House Regulators	16	447	0	0	12	12	0	0	2	2
Other Equipment	28	91	2	0	2	4	1	0	2	3
Supervision & Engineering	28	155	3	0	3	6	2	0	3	5
Direct - Minot AFB Distribution System	Direct	27	0	0	0	0	0	0	0	0
Total Maintenance Expense		1,115	21	0	22	43	13	0	20	33
Total Distribution Expenses		8,164	274	22	95	391	154	54	93	301
Customer Accounts	4	127	0	0	0	0	0	0	0	0
Meter Reading	5	310	0	0	8	8	0	0	1	1
Customer Records & Collection	4	1,536	0	0	2	2	0	0	0	0
Uncollectible Accounts	6	109	0	0	0	0	0	0	0	0
Miscellaneous Customer Accounts	4	229	0	0	0	0	0	0	0	0
Customer Service & Information	4	246	0	0	0	0	0	0	0	0
Sales Expenses	4	127	0	0	0	0	0	0	0	0
Administration & General Expenses	30	6,190	208	17	72	297	117	41	71	229
Total Gas O&M Expenses		97,003	834	4,105	177	5,116	279	186	165	630

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	Allocation Factor	Total North Dakota	Small Interruptible			Total Small Interruptible	Large Interruptible			Total Large Interruptible
			Demand	Energy	Customer		Demand	Energy	Customer	
O&M Excl. Cost of Gas and A&G		10,973	274	30	105	409	154	54	94	302
O&M Excl. Cost of Gas		17,163	482	47	177	706	271	95	165	531
Depreciation Expense										
Production Plant	39	0	0	0	0	0	0	0	0	0
Distribution Plant										
Rights of Way	13	3	0	0	0	0	0	0	0	0
Structures & Improvements	23	7	0	0	0	0	2	0	0	2
Mains	40	1,305	120	0	0	120	34	0	0	34
Direct -Minot AFB Distribution System	Direct	14	0	0	0	0	0	0	0	0
Meas. & Reg. Equip. - General	18	45	4	0	0	4	6	0	0	6
Meas. & Reg. Equip. - City Gate	19	227	20	0	0	20	10	0	2	12
Services	17	1,719	0	0	9	9	0	0	0	0
Direct -Minot AFB Distribution System	Direct	5	0	0	0	0	0	0	0	0
Meters	5	705	0	0	19	19	0	0	3	3
Direct -Minot AFB Distribution System	Direct	2	0	0	0	0	0	0	0	0
Service Regulators	20	51	0	0	1	1	0	0	0	0
Ind. Meas. & Reg. Station Equipment	21	16	0	0	0	0	0	0	8	8
Cathodic Protection & Other Equipment	13	284	25	0	0	25	13	0	2	15
Total Distribution Plant		4,383	169	0	29	198	65	0	15	80
General Plant	38	147	7	0	1	8	2	0	0	2
Direct -Minot AFB Distribution System	Direct	7	0	0	0	0	0	0	0	0
Amort. of Intangible Plant - General	15	112	6	0	1	7	3	0	1	4
Common Plant	15	370	18	0	2	20	10	0	2	12
Amort. of Intangible Plant - Common	15	615	30	0	4	34	16	0	4	20
Acquisition Adjustment	15	3	0	0	0	0	0	0	0	0
Total Depreciation Expense		5,637	230	0	37	267	96	0	22	118
Taxes Other Than Income										
Ad Valorem Taxes-Production	39	0	0	0	0	0	0	0	0	0
Ad Valorem Taxes-Other	15	811	40	0	5	45	22	0	5	27
Other Taxes - Payroll, Franchise, Other	31	750	21	2	8	31	12	4	7	23
Other Taxes - Minot AFB Distribution- Direct	Direct	1	0	0	0	0	0	0	0	0
Other Taxes - Revenue	26	1	0	0	0	0	0	0	0	0
Total Taxes Other Than Income Taxes		1,563	61	2	13	76	34	4	12	50
Total Operating Expense		104,203	1,125	4,107	227	5,459	409	190	199	798
Interest Expense	36	2,130	106	0	15	121	70	0	17	87
Direct -Minot AFB Distribution System	Direct	28	0	0	0	0	0	0	0	0
Taxable Income		1,975	(824)	854	(18)	12	(450)	1,150	(141)	559
Income Taxes	37.9445%	747	(313)	324	(7)	4	(171)	436	(54)	211
Full Normalization	24	(100)	(5)	0	(1)	(6)	(3)	0	(1)	(4)
Total Income Taxes		647	(318)	324	(8)	(2)	(174)	436	(55)	207
Total Operating Expense		104,850	807	4,431	219	5,457	235	626	144	1,005
Operating Income:		3,486	(400)	530	5	135	(206)	714	(69)	439

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**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
Embedded Class Cost of Service Study
Twelve Months Ended December 31, 2012
Projected 2014
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	Allocation Factor	Total North Dakota	Minot Air Force Base Distribution			Total Minot Air Force
			Demand	Energy	Customer	
Rate Base-Projected						
Gas Plant in Service						
Production Plant	3	0	0	0	0	0
Land	13	49	0	0	0	0
Rights of Way	13	239	2	0	1	3
Structures & Improvements	40	180	0	0	0	0
Direct	Direct	77	0	0	0	0
Mains - \$64,704-Directly Assigned \$2,499						
Demand Related 75%	2	46,654	0	0	0	0
Customer Related 25%	8	15,551	0	0	0	0
Directly Assigned Demand Related 75%	Direct	1,874	514	0	0	514
Directly Assigned Customer Related 25%	Direct	625	0	0	171	171
Meas. & Reg. Equip. - General	40	1,310	0	0	0	0
Direct	Direct	152	0	0	0	0
Meas. & Reg. Equip. - City Gate	13	9,593	76	0	25	101
Direct	Direct	0	0	0	0	0
Services	37	32,048	0	0	0	0
Direct	Direct	121	0	0	116	116
Meters	9	24,708	0	0	0	0
Direct	Direct	52	0	0	52	52
Service Regulators	9	3,330	0	0	0	0
Direct	Direct	14	0	0	14	14
Ind. Meas. & Reg. Station Equipment	40	140	0	0	0	0
Direct	Direct	327	0	0	0	0
Property on Customer Premise	13	115	1	0	0	1
Cathodic Protection & Other Equipment	40	1,115	0	0	0	0
Direct	Direct	2	2	0	0	2
Distribution Plant		138,276	595	0	379	974
Distribution Plant Excluding Direct Assignments		135,109	79	0	26	105
General Plant	38	8,954	5	0	2	7
Direct	Direct	399	399	0	0	399
Intangible Plant - General	15	3,705	16	0	10	26
Common Plant Excluding CC&B	15	15,175	65	0	42	107
Common (CC&B)	4	6,930	0	0	0	0
Acquisition Adjustment	15	97	0	0	0	0
Total Gas Plant in Service		173,536	1,080	0	433	1,513

MONTANA-DAKOTA UTILITIES CO.
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	Allocation Factor	Total North Dakota	Minot Air Force Base Distribution			Total Minot Air Force
			Demand	Energy	Customer	
Less: Accumulated Depreciation						
Production Plant	39	0	0	0	0	0
Distribution Plant						
Rights of Way	13	50	0	0	0	0
Structures & Improvements	23	163	0	0	0	0
Mains	40	29,594	0	0	0	0
Direct	Direct	13	13	0	0	13
Meas. & Reg. Equip. - General	18	512	0	0	0	0
Meas. & Reg. Equip. - City Gate	19	405	3	0	1	4
Services	37	23,825	0	0	0	0
Direct	Direct	16	16	0	0	16
Meters	5	8,214	0	0	0	0
Direct	Direct	6	0	0	6	6
Service Regulators	9	1,189	0	0	0	0
Direct	Direct	1	0	0	1	1
Ind. Meas. & Reg. Station Equipment	21	253	0	0	0	0
Property on Customer Premise	13	125	1	0	0	1
Cathodic Protection & Other Equipment	13	1,020	8	0	3	11
Distribution Plant		65,386	41	0	11	52
General Plant	38	2,531	1	0	0	1
Direct	Direct	117	117	0	0	117
Intangible Plant - General	15	594	3	0	2	5
Common Plant	15	3,739	16	0	10	26
Intangible Plant - Common	15	3,534	15	0	10	25
Intangible Plant - Common-CC&B	4	0	0	0	0	0
Acquisition Adjustment	15	60	0	0	0	0
Less: Total Accumulated Reserve for Depreciation		75,961	193	0	33	226
Net Gas Plant in Service		97,575	887	0	400	1,287
CWIP in Service	15	0	0	0	0	0
Total Gas Plant in Service		97,575	887	0	400	1,287
Additions						
Materials & Supplies	15	2,260	10	0	6	16
Fuel Stocks	10	35	0	0	0	0
Prepayments	25	193	1	0	0	1
Unamortized Loss on Debt	24	629	6	0	3	9
Gain on Sale of Williston Office	24	(282)	(3)	0	(1)	(4)
Total Additions		2,835	14	0	8	22
Total Before Deductions		100,410	901	0	408	1,309

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	Allocation Factor	Total North Dakota	Minot Air Force Base Distribution			Total Minot Air Force
			Demand	Energy	Customer	
Deductions						
Accumulated Deferred Income Tax	24	(16,139)	(147)	0	(66)	(213)
Accumulated Investment Tax Credit	24	0	0	0	0	0
Customer Advances For Construction	Direct	(6,580)	0	0	0	0
Total Deductions		(22,719)	(147)	0	(66)	(213)
Total Rate Base		77,691	754	0	342	1,096
Income Statement						
Gas Operating Revenues						
Retail Sales & Transportation						
Residential	Direct	57,715	0	0	0	0
Firm General	Direct	40,103	0	0	0	0
Air Force Delivery	Direct	2,305	0	0	0	0
Small Interruptible	Direct	5,550	0	0	0	0
Large Interruptible	Direct	1,416	0	0	0	0
Total Sales & Transportation Revenues		107,089	0	0	0	0
Other Operating Revenue						
Miscellaneous						
Reconnect Fees	6	1	0	0	0	0
Minot Maintenance Fee Rate 65	Direct	456	0	0	456	456
NSF Check Fees & Other	6	16	0	0	0	0
Miscellaneous	24	11	0	0	0	0
Rent From Gas Property	24	567	5	0	2	7
Other Gas Revenues						
Miscellaneous	31	185	2	0	0	2
Transport and Penalty Revenue - Net	24	11	0	0	0	0
Total Other Operating Revenue		1,247	7	0	458	465
Unbilled Revenue	26	791	7	0	2	9
		0	0	0	0	0
Total Operating Revenues		108,336	7	0	458	465
Operation & Maintenance Expenses						
Cost of Purchased Gas	Direct	79,840	0	0	0	0
Production Expense						
Production Expense	39	0	0	0	0	0
Other Gas Supply Expenses	3	125	0	0	0	0
Total Production Expense		125	0	0	0	0

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MONTANA-DAKOTA UTILITIES CO.
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	Allocation Factor	Total North Dakota	Minot Air Force Base Distribution			Total Minot Air Force
			Demand	Energy	Customer	
Distribution Expenses						
Operation						
Load Dispatch	1	127	0	0	0	0
Mains and Services	22	2,148	11	0	6	17
Measuring Stations - General	18	60	0	0	0	0
Measuring Stations - Industrial	21	44	0	0	0	0
Measuring Stations - City Gate	19	2	0	0	0	0
Meters & House Regulators	16	499	0	0	1	1
Customer Installations	5	783	0	0	0	0
Other Gas Distribution	27	1,959	15	0	4	19
Rents	27	98	1	0	0	1
Supervision & Engineering	27	1,311	10	0	2	12
Direct -Minot AFB Distribution System	Direct	18	18	0	0	18
Total Operation Expense		7,049	55	0	13	68
Maintenance						
Structures & Improvements	13	4	0	0	0	0
Mains	13	136	1	0	0	1
Measuring Stations - General	18	35	0	0	0	0
Measuring Stations - Industrial	21	23	0	0	0	0
Measuring Stations - City Gate	19	0	0	0	0	0
Services	5	197	0	0	0	0
Meters & House Regulators	16	447	0	0	1	1
Other Equipment	28	91	3	0	0	3
Supervision & Engineering	28	155	5	0	0	5
Direct -Minot AFB Distribution System	Direct	27	27	0	0	27
Total Maintenance Expense		1,115	36	0	1	37
Total Distribution Expenses		8,164	91	0	14	105
Customer Accounts	4	127	0	0	0	0
Meter Reading	5	310	0	0	0	0
Customer Records & Collection	4	1,536	0	0	0	0
Uncollectible Accounts	6	109	0	0	0	0
Miscellaneous Customer Accounts	4	229	0	0	0	0
Customer Service & Information	4	246	0	0	0	0
Sales Expenses	4	127	0	0	0	0
Administration & General Expenses	30	6,190	69	0	11	80
Total Gas O&M Expenses		97,003	160	0	25	185

MONTANA-DAKOTA UTILITIES CO.
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Embedded Class Cost of Service Study
Twelve Months Ended December 31, 2012
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	Allocation Factor	Total North Dakota	Minot Air Force Base Distribution			Total Minot Air Force
			Demand	Energy	Customer	
O&M Excl. Cost of Gas and A&G		10,973	91	0	14	105
O&M Excl. Cost of Gas		17,163	160	0	25	185
Depreciation Expense						
Production Plant	39	0	0	0	0	0
Distribution Plant						
Rights of Way	13	3	0	0	0	0
Structures & Improvements	23	7	0	0	0	0
Mains	40	1,305	0	0	0	0
Direct -Minot AFB Distribution System	Direct	14	14	0	0	14
Meas. & Reg. Equip. - General	18	45	0	0	0	0
Meas. & Reg. Equip. - City Gate	19	227	2	0	1	3
Services	17	1,719	0	0	0	0
Direct -Minot AFB Distribution System	Direct	5	5	0	0	5
Meters	5	705	0	0	0	0
Direct -Minot AFB Distribution System	Direct	2	2	0	0	2
Service Regulators	20	51	0	0	0	0
Ind. Meas. & Reg. Station Equipment	21	16	0	0	0	0
Cathodic Protection & Other Equipment	13	284	2	0	1	3
Total Distribution Plant		4,383	25	0	2	27
General Plant	38	147	0	0	0	0
Direct -Minot AFB Distribution System	Direct	7	7	0	0	7
Amort. of Intangible Plant - General	15	112	0	0	0	0
Common Plant	15	370	2	0	1	3
Amort. of Intangible Plant - Common	15	615	3	0	2	5
Acquisition Adjustment	15	3	0	0	0	0
Total Depreciation Expense		5,637	37	0	5	42
Taxes Other Than Income						
Ad Valorem Taxes-Production	39	0	0	0	0	0
Ad Valorem Taxes-Other	15	811	3	0	2	5
Other Taxes - Payroll, Franchise, Other	31	750	7	0	1	8
Other Taxes - Minot AFB Distribution- Direct	Direct	1	1	0	0	1
Other Taxes - Revenue	26	1	0	0	0	0
Total Taxes Other Than Income Taxes		1,563	11	0	3	14
Total Operating Expense		104,203	208	0	33	241
Interest Expense	36	2,130	0	0	0	0
Direct -Minot AFB Distribution System	Direct	28	28	0	0	28
Taxable Income		1,975	(229)	0	425	196
Income Taxes	37.9445%	747	(87)	0	161	74
Full Normalization	24	(100)	(1)	0	0	(1)
Total Income Taxes		647	(88)	0	161	73
Total Operating Expense		104,850	120	0	194	314
Operating Income:		3,486	(113)	0	264	151

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**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
EMBEDDED CLASS COST OF SERVICE STUDY
ALLOCATION FACTOR REPORT
TWELVE MONTHS ENDED DECEMBER 31, 2012
PROJECTED AVERAGE PLANT - SETTLEMENT**

	Total North Dakota	Residential			Small Firm General		
		Demand	Energy	Customer	Demand	Energy	Customer
1 Dk Throughput Projected	22,261,875 100.000000%	0 0.000000%	8,285,778 37.219588%	0 0.000000%	0 0.000000%	1,787,104 8.027644%	0 0.000000%
2 Peak Design Day @ Distribution	179,018 100.000000%	86,716 48.439822%	0 0.000000%	0 0.000000%	20,668 11.545208%	0 0.000000%	0 0.000000%
3 Dk Sales Projected	16,400,769 100.000000%	0 0.000000%	8,285,778 50.520669%	0 0.000000%	0 0.000000%	1,787,104 10.896465%	0 0.000000%
4 Average Customers	103,505 100.000000%	0 0.000000%	0 0.000000%	89,713 86.675040%	0 0.000000%	0 0.000000%	9,769 9.438191%
5 Total Weighted Customers	134,936 100.000000%	0 0.000000%	0 0.000000%	89,713 66.485593%	0 0.000000%	0 0.000000%	10,746 7.963775%
6 Average Res. & Firm General Cust.	103,344 100.000000%	0 0.000000%	0 0.000000%	89,713 86.810071%	0 0.000000%	0 0.000000%	9,769 9.452895%
7 Dk Throughput Excl Transmission	17,711,158 100.000000%	0 0.000000%	8,285,778 46.782813%	0 0.000000%	0 0.000000%	1,787,104 10.090272%	0 0.000000%
8 Average Customers @ Distribution	103,500 100.000000%	0 0.000000%	0 0.000000%	89,713 86.679227%	0 0.000000%	0 0.000000%	9,769 9.438647%
9 Total Weighted Customers Excluding Large IT - Transmission Customers	134,778 100.000000%	0 0.000000%	0 0.000000%	89,713 66.563534%	0 0.000000%	0 0.000000%	10,746 7.973111%
10 Residential & Firm General Propane Sales	44,348 100.000000%	0 0.000000%	18,037 40.671507%	0 0.000000%	0 0.000000%	10,755 24.251376%	0 0.000000%
13 Distribution Mains (000's)	64,704 100.000000%	22,599 34.926743%	0 0.000000%	13,479 20.831789%	5,386 8.324060%	0 0.000000%	1,468 2.268793%
15 Distribution Plant (000's)	138,276 100.000000%	27,089 19.590529%	0 0.000000%	60,584 43.813821%	6,457 4.669646%	0 0.000000%	8,007 5.790593%
16 Meters & Regulators (000's)	28,104 100.000000%	0 0.000000%	0 0.000000%	18,662 66.403358%	0 0.000000%	0 0.000000%	2,236 7.956163%
17 Weighted Services	111,605 100.000000%	0 0.000000%	0 0.000000%	89,713 80.384391%	0 0.000000%	0 0.000000%	13,970 12.517360%

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**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - NORTH DAKOTA
 EMBEDDED CLASS COST OF SERVICE STUDY
 ALLOCATION FACTOR REPORT
 TWELVE MONTHS ENDED DECEMBER 31, 2012
 PROJECTED AVERAGE PLANT - SETTLEMENT**

	Total North Dakota	Large Firm General			Air Force Delivery		
		Demand	Energy	Customer	Demand	Energy	Customer
1 Dk Throughput Projected	22,261,875 100.000000%	0 0.000000%	4,642,827 20.855507%	0 0.000000%	0 0.000000%	552,500 2.481821%	0 0.000000%
2 Peak Design Day @ Distribution	179,018 100.000000%	43,626 24.369616%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%
3 Dk Sales Projected	16,400,769 100.000000%	0 0.000000%	4,642,827 28.308593%	0 0.000000%	0 0.000000%	552,500 3.368744%	0 0.000000%
4 Average Customers	103,505 100.000000%	0 0.000000%	0 0.000000%	3,862 3.731221%	0 0.000000%	0 0.000000%	3 0.002898%
5 Total Weighted Customers	134,936 100.000000%	0 0.000000%	0 0.000000%	30,124 22.324658%	0 0.000000%	0 0.000000%	172 0.127468%
6 Average Res. & Firm General Cust.	103,344 100.000000%	0 0.000000%	0 0.000000%	3,862 3.737034%	0 0.000000%	0 0.000000%	0 0.000000%
7 Dk Throughput Excl Transmission	17,711,158 100.000000%	0 0.000000%	4,642,827 26.214136%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%
8 Average Customers @ Distribution	103,500 100.000000%	0 0.000000%	0 0.000000%	3,862 3.731401%	0 0.000000%	0 0.000000%	0 0.000000%
9 Total Weighted Customers Excluding Large IT - Transmission Customers	134,778 100.000000%	0 0.000000%	0 0.000000%	30,124 22.350829%	0 0.000000%	0 0.000000%	172 0.127617%
10 Residential & Firm General Propane Sales	44,348 100.000000%	0 0.000000%	15,556 35.077117%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%
13 Distribution Mains (000's)	64,704 100.000000%	11,369 17.570784%	0 0.000000%	580 0.896390%	0 0.000000%	0 0.000000%	0 0.000000%
15 Distribution Plant (000's)	138,276 100.000000%	13,628 9.855651%	0 0.000000%	9,056 6.549220%	22 0.015910%	0 0.000000%	130 0.094015%
16 Meters & Regulators (000's)	28,104 100.000000%	0 0.000000%	0 0.000000%	6,266 22.295759%	0 0.000000%	0 0.000000%	36 0.128096%
17 Weighted Services	111,605 100.000000%	0 0.000000%	0 0.000000%	7,299 6.540030%	0 0.000000%	0 0.000000%	0 0.000000%

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**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
EMBEDDED CLASS COST OF SERVICE STUDY
ALLOCATION FACTOR REPORT
TWELVE MONTHS ENDED DECEMBER 31, 2012
PROJECTED AVERAGE PLANT - SETTLEMENT**

	Total North Dakota	Small Interruptible			Large Interruptible		
		Demand	Energy	Customer	Demand	Energy	Customer
1 Dk Throughput Projected	22,261,875 100.000000%	0 0.000000%	2,158,468 9.695805%	0 0.000000%	0 0.000000%	4,835,198 21.719635%	0 0.000000%
2 Peak Design Day @ Distribution	179,018 100.000000%	21,866 12.214414%	0 0.000000%	0 0.000000%	6,142 3.430940%	0 0.000000%	0 0.000000%
3 Dk Sales Projected	16,400,769 100.000000%	0 0.000000%	1,107,934 6.755378%	0 0.000000%	0 0.000000%	24,626 0.150151%	0 0.000000%
4 Average Customers	103,505 100.000000%	0 0.000000%	0 0.000000%	150 0.144921%	0 0.000000%	0 0.000000%	8 0.007729%
5 Total Weighted Customers	134,936 100.000000%	0 0.000000%	0 0.000000%	3,554 2.633841%	0 0.000000%	0 0.000000%	627 0.464665%
6 Average Res. & Firm General Cust.	103,344 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%
7 Dk Throughput Excl Transmission	17,711,158 100.000000%	0 0.000000%	2,158,468 12.187052%	0 0.000000%	0 0.000000%	836,981 4.725727%	0 0.000000%
8 Average Customers @ Distribution	103,500 100.000000%	0 0.000000%	0 0.000000%	150 0.144928%	0 0.000000%	0 0.000000%	6 0.005797%
9 Total Weighted Customers Excluding Large IT - Transmission Customers	134,778 100.000000%	0 0.000000%	0 0.000000%	3,554 2.636929%	0 0.000000%	0 0.000000%	469 0.347980%
10 Residential & Firm General Propane Sales	44,348 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%
13 Distribution Mains (000's)	64,704 100.000000%	5,699 8.807802%	0 0.000000%	23 0.035546%	2,961 4.576224%	0 0.000000%	455 0.703202%
15 Distribution Plant (000's)	138,276 100.000000%	6,830 4.939397%	0 0.000000%	934 0.675461%	3,697 2.673638%	0 0.000000%	868 0.627730%
16 Meters & Regulators (000's)	28,104 100.000000%	0 0.000000%	0 0.000000%	740 2.633077%	0 0.000000%	0 0.000000%	98 0.348705%
17 Weighted Services	111,605 100.000000%	0 0.000000%	0 0.000000%	586 0.525066%	0 0.000000%	0 0.000000%	31 0.027777%

**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - NORTH DAKOTA
 EMBEDDED CLASS COST OF SERVICE STUDY
 ALLOCATION FACTOR REPORT
 TWELVE MONTHS ENDED DECEMBER 31, 2012
 PROJECTED AVERAGE PLANT - SETTLEMENT**

	Total North Dakota	Minot Air Force Base Distribution		
		Demand	Energy	Customer
1 Dk Throughput Projected	22,261,875 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%
2 Peak Design Day @ Distribution	179,018 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%
3 Dk Sales Projected	16,400,769 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%
4 Average Customers	103,505 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%
5 Total Weighted Customers	134,936 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%
6 Average Res. & Firm General Cust.	103,344 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%
7 Dk Throughput Excl Transmission	17,711,158 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%
8 Average Customers @ Distribution	103,500 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%
9 Total Weighted Customers Excluding Large IT - Transmission Customers	134,778 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%
10 Residential & Firm General Propane Sales	44,348 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%
13 Distribution Mains (000's)	64,704 100.000000%	514 0.794387%	0 0.000000%	171 0.264280%
15 Distribution Plant (000's)	138,276 100.000000%	595 0.430299%	0 0.000000%	379 0.274090%
16 Meters & Regulators (000's)	28,104 100.000000%	0 0.000000%	0 0.000000%	66 0.234842%
17 Weighted Services	111,605 100.000000%	0 0.000000%	0 0.000000%	6 0.005376%

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**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
EMBEDDED CLASS COST OF SERVICE STUDY
ALLOCATION FACTOR REPORT
TWELVE MONTHS ENDED DECEMBER 31, 2012
PROJECTED AVERAGE PLANT - SETTLEMENT**

	Total North Dakota	Residential			Small Firm General		
		Demand	Energy	Customer	Demand	Energy	Customer
18 Meas. & Reg. Sta. Eqpt.- General (000's)	1,462 100.000000%	477 32.626540%	0 0.000000%	284 19.425445%	113 7.729138%	0 0.000000%	31 2.120383%
19 Meas. & Reg. Eqpt.- City Gate (000's)	9,593 100.000000%	3,351 34.931721%	0 0.000000%	1,998 20.827687%	799 8.328990%	0 0.000000%	218 2.272490%
20 Service Regulators (000's)	3,344 100.000000%	0 0.000000%	0 0.000000%	2,216 66.267943%	0 0.000000%	0 0.000000%	266 7.954545%
21 Ind. Meas. & Reg. Sta. Eqpt. (000's)	467 100.000000%	51 10.920770%	0 0.000000%	30 6.423983%	12 2.569593%	0 0.000000%	3 0.642398%
22 Mains & Services (000's)	96,873 100.000000%	22,599 23.328482%	0 0.000000%	39,244 40.510772%	5,386 5.559857%	0 0.000000%	5,480 5.656891%
23 Structures and Improvements	257 100.000000%	65 25.291829%	0 0.000000%	39 15.175097%	16 6.225681%	0 0.000000%	4 1.556420%
24 Net Gas Plant in Service (000's)	97,575 100.000000%	18,994 19.466053%	0 0.000000%	42,018 43.062259%	4,528 4.640533%	0 0.000000%	5,201 5.330259%
25 Total Gas Plant in Service (000's)	173,536 100.000001%	32,603 18.787456%	0 0.000000%	78,918 45.476445%	7,772 4.478610%	0 0.000000%	10,292 5.930758%
26 Projected Operating Revenue (000's)	107,089 100.000000%	9,690 9.048548%	38,231 35.700213%	9,794 9.145664%	2,401 2.242060%	7,544 7.044608%	1,854 1.731270%
27 All Other Dist. Operation Exp. (000's)	3,681 100.000000%	530 14.398261%	48 1.303993%	1,736 47.161100%	125 3.395816%	10 0.271665%	225 6.112469%
28 All Other Dist. Maintenance Exp. (000's)	869 100.000000%	65 7.479862%	0 0.000000%	463 53.279630%	15 1.726122%	0 0.000000%	56 6.444189%
29 O&M Excl. Cost of Gas and A&G (000's)	10,973 100.000000%	1,099 10.015495%	156 1.421671%	6,182 56.338284%	260 2.369452%	33 0.300738%	752 6.853185%
30 Distribution O&M (000's)	8,164 100.000000%	1,099 13.461538%	92 1.126899%	3,916 47.966685%	260 3.184713%	19 0.232729%	503 6.161195%
31 O&M Excl. Cost of Gas (000's)	17,163 100.000000%	1,932 11.256774%	226 1.316786%	9,150 53.312358%	457 2.662705%	47 0.273845%	1,133 6.601410%

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**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
EMBEDDED CLASS COST OF SERVICE STUDY
ALLOCATION FACTOR REPORT
TWELVE MONTHS ENDED DECEMBER 31, 2012
PROJECTED AVERAGE PLANT - SETTLEMENT**

	Total North Dakota	Large Firm General			Air Force Delivery		
		Demand	Energy	Customer	Demand	Energy	Customer
18 Meas. & Reg. Sta. Eqpt.- General (000's)	1,462 100.000000%	239 16.347469%	0 0.000000%	12 0.820793%	0 0.000000%	0 0.000000%	0 0.000000%
19 Meas. & Reg. Eqpt.- City Gate (000's)	9,593 100.000000%	1,686 17.575315%	0 0.000000%	86 0.896487%	0 0.000000%	0 0.000000%	0 0.000000%
20 Service Regulators (000's)	3,344 100.000000%	0 0.000000%	0 0.000000%	744 22.248804%	0 0.000000%	0 0.000000%	4 0.119617%
21 Ind. Meas. & Reg. Sta. Eqpt. (000's)	467 100.000000%	26 5.567452%	0 0.000000%	1 0.214133%	0 0.000000%	0 0.000000%	94 20.128480%
22 Mains & Services (000's)	96,873 100.000000%	11,369 11.735984%	0 0.000000%	2,676 2.762380%	0 0.000000%	0 0.000000%	0 0.000000%
23 Structures and Improvements	257 100.000000%	33 12.840467%	0 0.000000%	2 0.778210%	22 8.560311%	0 0.000000%	0 0.000000%
24 Net Gas Plant in Service (000's)	97,575 100.000000%	9,557 9.794517%	0 0.000000%	6,516 6.677940%	9 0.009224%	0 0.000000%	77 0.078914%
25 Total Gas Plant in Service (000's)	173,536 100.000001%	16,403 9.452217%	0 0.000000%	11,159 6.430366%	25 0.014406%	0 0.000000%	149 0.085861%
26 Projected Operating Revenue (000's)	107,089 100.000000%	5,570 5.201281%	20,267 18.925380%	2,467 2.303691%	165 0.154077%	2,125 1.984331%	15 0.014007%
27 All Other Dist. Operation Exp. (000's)	3,681 100.000000%	264 7.171964%	26 0.706330%	345 9.372453%	0 0.000000%	3 0.081500%	11 0.298832%
28 All Other Dist. Maintenance Exp. (000's)	869 100.000000%	32 3.682394%	0 0.000000%	145 16.685846%	0 0.000000%	0 0.000000%	6 0.690449%
29 O&M Excl. Cost of Gas and A&G (000's)	10,973 100.000000%	546 4.975850%	85 0.774629%	1,005 9.158844%	0 0.000000%	10 0.091133%	29 0.264285%
30 Distribution O&M (000's)	8,164 100.000000%	546 6.687898%	50 0.612445%	847 10.374816%	0 0.000000%	6 0.073493%	29 0.355218%
31 O&M Excl. Cost of Gas (000's)	17,163 100.000000%	960 5.593428%	123 0.716658%	1,647 9.596224%	0 0.000000%	15 0.087397%	51 0.297151%

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**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
EMBEDDED CLASS COST OF SERVICE STUDY
ALLOCATION FACTOR REPORT
TWELVE MONTHS ENDED DECEMBER 31, 2012
PROJECTED AVERAGE PLANT - SETTLEMENT**

	Total	Small Interruptible			Large Interruptible		
		North Dakota	Demand	Energy	Customer	Demand	Energy
18 Meas. & Reg. Sta. Eqpt.- General (000's)	1,462 100.000000%	120 8.207934%	0 0.000000%	0 0.000000%	186 12.722298%	0 0.000000%	0 0.000000%
19 Meas. & Reg. Eqpt.- City Gate (000's)	9,593 100.000000%	845 8.808506%	0 0.000000%	3 0.031273%	439 4.576254%	0 0.000000%	67 0.698426%
20 Service Regulators (000's)	3,344 100.000000%	0 0.000000%	0 0.000000%	88 2.631579%	0 0.000000%	0 0.000000%	12 0.358852%
21 Ind. Meas. & Reg. Sta. Eqpt. (000's)	467 100.000000%	13 2.783726%	0 0.000000%	0 0.000000%	4 0.856531%	0 0.000000%	233 49.892934%
22 Mains & Services (000's)	96,873 100.000000%	5,699 5.882960%	0 0.000000%	191 0.197165%	2,961 3.056579%	0 0.000000%	467 0.482074%
23 Structures and Improvements	257 100.000000%	16 6.225681%	0 0.000000%	0 0.000000%	60 23.346304%	0 0.000000%	0 0.000000%
24 Net Gas Plant in Service (000's)	97,575 100.000000%	4,790 4.909044%	0 0.000000%	681 0.697925%	3,153 3.231360%	0 0.000000%	764 0.782987%
25 Total Gas Plant in Service (000's)	173,536 100.000001%	8,221 4.737346%	0 0.000000%	1,135 0.654043%	4,346 2.504379%	0 0.000000%	1,000 0.576249%
26 Projected Operating Revenue (000's)	107,089 100.000000%	372 0.347375%	4,960 4.631662%	218 0.203569%	8 0.007470%	1,339 1.250362%	69 0.064432%
27 All Other Dist. Operation Exp. (000's)	3,681 100.000000%	132 3.585982%	12 0.325998%	38 1.032328%	74 2.010323%	28 0.760663%	38 1.032328%
28 All Other Dist. Maintenance Exp. (000's)	869 100.000000%	16 1.841197%	0 0.000000%	17 1.956272%	10 1.150748%	0 0.000000%	15 1.726122%
29 O&M Excl. Cost of Gas and A&G (000's)	10,973 100.000000%	274 2.497038%	30 0.273398%	105 0.956894%	154 1.403445%	54 0.492117%	94 0.856648%
30 Distribution O&M (000's)	8,164 100.000000%	274 3.356198%	22 0.269476%	95 1.163645%	154 1.886330%	54 0.661440%	93 1.139147%
31 O&M Excl. Cost of Gas (000's)	17,163 100.000000%	482 2.808367%	47 0.273845%	177 1.031288%	271 1.578978%	95 0.553516%	165 0.961370%

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**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
EMBEDDED CLASS COST OF SERVICE STUDY
ALLOCATION FACTOR REPORT
TWELVE MONTHS ENDED DECEMBER 31, 2012
PROJECTED AVERAGE PLANT - SETTLEMENT**

	Total	Minot Air Force Base Distribution		
		North Dakota	Demand	Energy
18 Meas. & Reg. Sta. Eqpt.- General (000's)	1,462	0	0	0
	100.000000%	0.000000%	0.000000%	0.000000%
19 Meas. & Reg. Eqpt.- City Gate (000's)	9,593	76	0	25
	100.000000%	0.792244%	0.000000%	0.260607%
20 Service Regulators (000's)	3,344	0	0	14
	100.000000%	0.000000%	0.000000%	0.418660%
21 Ind. Meas. & Reg. Sta. Eqpt. (000's)	467	0	0	0
	100.000000%	0.000000%	0.000000%	0.000000%
22 Mains & Services (000's)	96,873	514	0	287
	100.000000%	0.530592%	0.000000%	0.296264%
23 Structures and Improvements	257	0	0	0
	100.000000%	0.000000%	0.000000%	0.000000%
24 Net Gas Plant in Service (000's)	97,575	887	0	400
	100.000000%	0.909044%	0.000000%	0.409941%
25 Total Gas Plant in Service (000's)	173,536	1,080	0	433
	100.000001%	0.622349%	0.000000%	0.249516%
26 Projected Operating Revenue (000's)	107,089	0	0	0
	100.000000%	0.000000%	0.000000%	0.000000%
27 All Other Dist. Operation Exp. (000's)	3,681	29	0	7
	100.000000%	0.787829%	0.000000%	0.190166%
28 All Other Dist. Maintenance Exp. (000's)	869	28	0	1
	100.000000%	3.222094%	0.000000%	0.115075%
29 O&M Excl. Cost of Gas and A&G (000's)	10,973	91	0	14
	100.000000%	0.829308%	0.000000%	0.127586%
30 Distribution O&M (000's)	8,164	91	0	14
	100.000000%	1.114650%	0.000000%	0.171485%
31 O&M Excl. Cost of Gas (000's)	17,163	160	0	25
	100.000000%	0.932238%	0.000000%	0.145662%

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**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
EMBEDDED CLASS COST OF SERVICE STUDY
ALLOCATION FACTOR REPORT
TWELVE MONTHS ENDED DECEMBER 31, 2012
PROJECTED AVERAGE PLANT - SETTLEMENT**

	Total North Dakota	Residential			Small Firm General		
		Demand	Energy	Customer	Demand	Energy	Customer
33 Cost of Gas (000's)	79,840 100.000000%	9,695 12.143036%	31,471 39.417586%	0 0.000000%	2,403 3.009770%	6,475 8.109970%	0 0.000000%
35 Taxable Income (000's)	1,975 100.000000%	(3,382) -171.240506%	6,525 330.379747%	(3,517) -178.075949%	(802) -40.607595%	1,021 51.696203%	165 8.354430%
36 Net Gas Plant in Service (000's) Excluding Minot AFB	96,288 100.000000%	18,994 19.726240%	0 0.000000%	42,018 43.637836%	4,528 4.702559%	0 0.000000%	5,201 5.401504%
37 Weighted Services Excluding Transmission Level Customers	111,592 100.000000%	0 0.000000%	0 0.000000%	89,713 80.393756%	0 0.000000%	0 0.000000%	13,970 12.518819%
38 Distribution Plant Less Direct Assignment (000's)	135,032 100.000000%	27,089 20.061171%	0 0.000000%	60,584 44.866402%	6,457 4.781829%	0 0.000000%	8,007 5.929706%
39 Production Plant	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%
40 Distribution Mains (000) Excluding Transmission Level Customer-Direct Assigned	62,205 100.000000%	22,599 36.329877%	0 0.000000%	13,479 21.668675%	5,386 8.658468%	0 0.000000%	1,468 2.359939%

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**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - NORTH DAKOTA
 EMBEDDED CLASS COST OF SERVICE STUDY
 ALLOCATION FACTOR REPORT
 TWELVE MONTHS ENDED DECEMBER 31, 2012
 PROJECTED AVERAGE PLANT - SETTLEMENT**

	Total	Large Firm General			Air Force Delivery		
		North Dakota	Demand	Energy	Customer	Demand	Energy
33 Cost of Gas (000's)	79,840 100.000000%	5,573 6.980210%	17,495 21.912575%	0 0.000000%	175 0.219188%	2,044 2.560120%	0 0.000000%
35 Taxable Income (000's)	1,975 100.000000%	(1,690) -85.569620%	2,645 133.924051%	232 11.746835%	(11) -0.556962%	65 3.291139%	(43) -2.177215%
36 Net Gas Plant in Service (000's) Excluding Minot AFB	96,288 100.000000%	9,557 9.925432%	0 0.000000%	6,516 6.767198%	9 0.009347%	0 0.000000%	77 0.079968%
37 Weighted Services Excluding Transmission Level Customers	111,592 100.000000%	0 0.000000%	0 0.000000%	7,299 6.540791%	0 0.000000%	0 0.000000%	0 0.000000%
38 Distribution Plant Less Direct Assignment (000's)	135,032 100.000000%	13,628 10.092423%	0 0.000000%	9,056 6.706558%	0 0.000000%	0 0.000000%	36 0.026660%
39 Production Plant	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%
40 Distribution Mains (000) Excluding Transmission Level Customer-Direct Assigned	62,205 100.000000%	11,369 18.276666%	0 0.000000%	580 0.932401%	0 0.000000%	0 0.000000%	0 0.000000%

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**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
EMBEDDED CLASS COST OF SERVICE STUDY
ALLOCATION FACTOR REPORT
TWELVE MONTHS ENDED DECEMBER 31, 2012
PROJECTED AVERAGE PLANT - SETTLEMENT**

	Total North Dakota	Small Interruptible			Large Interruptible		
		Demand	Energy	Customer	Demand	Energy	Customer
33 Cost of Gas (000's)	79,840 100.000000%	352 0.440882%	4,058 5.082665%	0 0.000000%	8 0.010020%	91 0.113978%	0 0.000000%
35 Taxable Income (000's)	1,975 100.000000%	(824) -41.721519%	854 43.240506%	(18) -0.911392%	(450) -22.784810%	1,150 58.227848%	(141) -7.139241%
36 Net Gas Plant in Service (000's) Excluding Minot AFB	96,288 100.000000%	4,790 4.974659%	0 0.000000%	681 0.707253%	3,153 3.274551%	0 0.000000%	764 0.793453%
37 Weighted Services Excluding Transmission Level Customers	111,592 100.000000%	0 0.000000%	0 0.000000%	586 0.525127%	0 0.000000%	0 0.000000%	24 0.021507%
38 Distribution Plant Less Direct Assignment (000's)	135,032 100.000000%	6,830 5.058060%	0 0.000000%	934 0.691688%	2,130 1.577404%	0 0.000000%	176 0.130339%
39 Production Plant	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%
40 Distribution Mains (000) Excluding Transmission Level Customer-Direct Assigned	62,205 100.000000%	5,699 9.161643%	0 0.000000%	23 0.036975%	1,601 2.573748%	0 0.000000%	1 0.001608%

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MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
EMBEDDED CLASS COST OF SERVICE STUDY
ALLOCATION FACTOR REPORT
TWELVE MONTHS ENDED DECEMBER 31, 2012
PROJECTED AVERAGE PLANT - SETTLEMENT

	Total	Minot Air Force Base Distribution		
	North Dakota	Demand	Energy	Customer
33 Cost of Gas (000's)	79,840 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%
35 Taxable Income (000's)	1,975 100.000000%	(229) -11.594937%	0 0.000000%	425 21.518987%
36 Net Gas Plant in Service (000's) Excluding Minot AFB	96,288 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%
37 Weighted Services Excluding Transmission Level Customers	111,592 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%
38 Distribution Plant Less Direct Assignment (000's)	135,032 100.000000%	79 0.058505%	0 0.000000%	26 0.019255%
39 Production Plant	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%
40 Distribution Mains (000) Excluding Transmission Level Customer-Direct Assigned	62,205 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%

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**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
ALLOCATION OF REVENUES
Projected 2014**

RATE CLASS	Billing Determinants 1/					Embedded COS Before Increase 2/			Increase Required @ Overall Return		
	Customers	Dk	Distribution Revenues	Gas Costs	Total Revenues	Operating Income	Rate Base	Rate Of Return	Income	Revenues	% Increase
Residential	89,713	8,285,778	\$16,551,626	\$41,163,745	\$57,715,371	\$1,181,000	\$48,540,000	2.433%	\$2,644,000	\$4,260,702	7.38%
Firm General Service	13,631	6,429,931	8,159,679	31,943,897	40,103,576	1,571,000	20,537,000	7.650%	48,000	77,350	0.19%
Air Force											
Firm	1	32,291	6,076	160,422	166,498						
Interruptible	2	520,209	76,045	2,062,235	2,138,280						
Total Air Force	3	552,500	82,121	2,222,657	2,304,778	9,000	74,000	12.162%	(3,000)	(4,834)	-0.21%
Small Interruptible											
Sales	86	1,107,934	576,288	4,409,577	4,985,865						
Transportation	64	1,050,534	563,778	0	563,778						
Total Small IT	150	2,158,468	1,140,066	4,409,577	5,549,643	135,000	4,081,000	3.308%	187,000	301,343	5.43%
Large Interruptible											
Sales	1	24,626	15,439	98,011	113,450						
Transportation	7	4,810,572	1,302,628	0	1,302,628						
Total Large IT	8	4,835,198	1,318,067	98,011	1,416,078	439,000	3,363,000	13.054%	(174,000)	(280,394)	-19.80%
MAFB Distribution 3/					456,000	151,000	1,096,000	13.777%	(65,000)	(104,745)	-22.97%
Total North Dakota	103,505	22,261,875	\$27,251,559	\$79,837,887	\$107,545,446	\$3,486,000	\$77,691,000	4.487%	\$2,637,000	\$4,249,422	3.95%

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**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
ALLOCATION OF REVENUES
Projected 2014**

RATE CLASS	Target Rate Design				Rate Design Results			
	Increase In Revenue	% Increase	Operating Income	Rate Of Return	Increase In Revenue	Total Revenues	% Incr	Rate Of Return
Residential	\$2,903,083	5.03%	\$2,982,523	6.144%	\$2,902,324	\$60,617,695	5.03%	6.143%
Firm General Service	870,248	2.17%	2,111,037	10.279%	868,464	40,972,040	2.17%	10.274%
Air Force								
Firm	1,981	1.19%			1,966	168,464	1.18%	
Interruptible	25,446	1.19%			25,526	2,163,806	1.19%	
Total Air Force	27,427	1.19%	26,020	35.162%	27,492	2,332,270	1.19%	35.217%
Small Interruptible Sales								
Transportation								
Total Small IT	447,856	8.07%	412,919	10.118%	446,791	5,996,434	8.05%	10.102%
Large Interruptible Sales								
Transportation								
Total Large IT	0	0.00%	439,000	13.054%	(938)	1,415,140	-0.07%	13.037%
MAFB Distribution	0	0.00%	151,000	13.777%				
Total North Dakota	\$4,248,614	3.95%	\$6,122,498	7.881%	\$4,244,133	\$111,333,579	3.95%	7.877%

Requested Return on Rate Base	7.881% 4/	Cost of Gas (Adjusted for Losses)	
Proposed Increase	4,250,000 4/	Projected	COG
% Increase (Excl Flex)	3.958419%	Firm	\$4.968
Inverse Of Tax Rate	62.0555%	Interruptible	3.980
		MAFB	3.962

- 1/ Statement M, Page 4.
- 2/ Statement O.
- 3/ Recorded as Other Revenues
- 4/ Statement L, Page 3.

MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
RATE RECONCILIATION
RESIDENTIAL GAS SERVICE - RATES 60 & 90
Projected 2014

	Billing Units	Current		Proposed	
		Rate	Amount	Rate	Amount
Residential Rates 60 & 90					
Basic Service Charge (600 & 900)	89,713 Cust	\$0.30	\$9,823,574	\$0.5941	\$19,453,950
Distribution Charge	8,285,778 dk	0.812	6,728,052	0.000	0
Cost of Gas	8,285,778 dk	4.968	<u>41,163,745</u>	4.968	<u>41,163,745</u>
Total Revenue Rates 60 & 90			\$57,715,371	\$60,617,695	

Total Distribution Revenues Per Design	\$19,453,950
Target Distribution Revenues	<u>19,454,709</u>
Difference	<u><u>(\$759)</u></u>

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
RESIDENTIAL GAS SERVICE - RATES 60 & 90
Projected 2014**

Current Non-Gas Revenues	\$16,551,626
Proposed Revenue Increase	<u>2,903,083</u>
Total Revenue Requirement	\$19,454,709
Less:	
Proposed Base Rate Revenues	19,453,950
Remaining Revenues To Be Collected	<u>759</u>
Total Rates 60 & 90 (Res) Consumption	8,285,778
Base Distribution Charge	\$0.000
Fixed Rate Charge	\$0.59410

**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - NORTH DAKOTA
 AIR FORCE FIRM SERVICE - RATE 64
 Projected 2014**

	Billing Units	Current		Proposed	
		Rate	Amount	Rate	Amount
<u>Air Force Rate 64</u>					
Basic Service Charge	1 Cust	\$135.00	\$1,620	\$175.00	\$2,100
Distribution Charge	32,291 dk	0.138	4,456	0.184	5,942
Cost of Gas	32,291 dk	4.968	<u>160,422</u>	4.968	<u>160,422</u>
Total Revenue Rate 64			\$166,498	\$168,464	

Total Distribution Revenues Per Design	\$8,042
Target Distribution Revenues	<u>8,057</u>
Difference	<u><u>(\$15)</u></u>

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
PROPOSED RATE DESIGN
AIR FORCE FIRM SERVICE - RATE 64
Projected 2014**

Air Force Firm Revenue Requirement	\$6,076
Proposed Revenue Increase	<u>1,981</u>
Total Revenue Requirement	\$8,057
Less: Proposed Base Rate Revenues	<u>2,100</u>
Remaining Revenues To Be Collected	\$5,957
Total Rate 64 Firm Consumption	32,291
Non-Gas Commodity Charge	\$0.184

**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - NORTH DAKOTA
 AIR FORCE INTERRUPTIBLE SERVICE - RATE 64
 Projected 2014**

	<u>Billing Units</u>	<u>Current</u>		<u>Proposed</u>	
		<u>Rate</u>	<u>Amount</u>	<u>Rate</u>	<u>Amount</u>
<u>Air Force Interruptible</u>					
Basic Service Charge					
Minot Air Force	1 Cust	\$1,000.00	\$12,000	\$2,000.00	\$24,000
PAR Site	1 Cust	135.00	1,620	135.00	1,620
Subtotal	<u>2</u>		<u>13,620</u>		<u>25,620</u>
Distribution Delivery	520,209 dk	\$0.120	62,425	\$0.146	75,951
Cost of Gas					
MAFB	455,392 dk	3.962	1,804,263	3.962	1,804,263
PAR Site	64,817 dk	3.980	<u>257,972</u>	3.980	<u>257,972</u>
Total Revenue			\$2,138,280		\$2,163,806
Total Distribution Revenues Per Design			\$101,571		
Target Distribution Revenue			<u>101,491</u>		
Difference			<u><u>\$80</u></u>		

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
PROPOSED RATE DESIGN
AIR FORCE INTERRUPTIBLE SERVICE - RATE 64
Projected 2014**

Air Force Interruptible Revenue Requirement	\$76,045
Proposed Revenue Increase	<u>25,446</u>
Total Revenue Requirement	\$101,491
Less: Base Rate Revenues	<u>25,620</u>
Remaining Revenues To Be Collected	\$75,871
Total Rate 64 IT Consumption	520,209
Non-Gas Commodity Charge	\$0.146

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
RATE RECONCILIATION
FIRM GENERAL GAS SERVICE - RATE 70
Projected 2014**

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	<u>Billing Units</u>	<u>Current</u>		<u>Proposed</u>	
		<u>Rate</u>	<u>Amount</u>	<u>Rate</u>	<u>Amount</u>
<u>Firm General Rate 70</u>					
Basic Service Chg Rates 700, 720 & 920	9,769 Cust	\$0.52	\$1,854,156	\$0.67	\$2,389,009
Basic Service Chg Rates 701, 721 & 921	3,862 Cust	1.75	2,466,853	1.90	2,678,297
Subtotal	13,631		\$4,321,009		\$5,067,306
Distribution Delivery	6,429,931 Dk	0.597	3,838,669	0.616	3,960,837
Cost of Gas	6,429,931 Dk	4.968	31,943,897	4.968	31,943,897
Total Revenue			\$40,103,575		\$40,972,040

Total Distribution Revenues Per Design	\$9,028,143
Target Distribution Revenues	9,029,927
Difference	<u><u>(\$1,784)</u></u>

MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
FIRM GENERAL GAS SERVICE - RATE 70
Projected 2014

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Current Non-Gas Revenues	\$8,159,679
Proposed Revenue Increase	<u>870,248</u>
Total Revenue Requirement	<u>\$9,029,927</u>
Less:	
Base Rate Revenues	5,067,306
Remaining Revenues To Be Collected	<u>3,962,621</u>
Total Rates 70, 72 and 90 (Firm) Consumption	6,429,931
Base Commodity Charge	\$0.616

MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
SMALL INTERRUPTIBLE - RATE 71
Projected 2014

	Billing Units	Current		Proposed	
		Rate	Amount	Rate	Amount
Basic Service Charge					
Rate 71 Sales	86 Cust	\$100.00	\$103,200	\$300.00	\$309,600
Rate 81 Transport	64 Cust	150.00	115,200	300.00	230,400
Subtotal	150		218,400		\$540,000
Distribution Delivery					
Rate 71 Sales	1,107,934 dk	\$0.427	473,088	\$0.485	537,348
Rate 81 Transport	1,050,534 dk	0.427	448,578	\$0.485	509,509
Cost of Gas	1,107,934 dk	3.980	4,409,577	3.980	4,409,577
Total Revenue			5,549,643		5,996,434
Total Small Interruptible Revenues			\$1,586,857		
Target Revenues			1,587,922		
Difference			<u>(\$1,065)</u>		

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
PROPOSED RATE DESIGN
SMALL INTERRUPTIBLE SERVICE - RATE 71
Projected 2014**

Small Interruptible Revenue Requirement	\$1,140,066
Less: Flexed Contracts	0
Proposed Revenue Increase	<u>447,856</u>
Proposed Revenue Requirement	1,587,922
Less:	
Basic Service Charge Revenue	<u>540,000</u>
Remaining Revenues To Be Collected	\$1,047,922
Total Throughput Rates 71 & 81 (Excluding Flexed Contracts)	2,158,468
Commodity Charge	\$0.485

MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
REVENUE RECONCILIATION
SMALL INTERRUPTIBLE SERVICE - RATES 71 & 81
Projected 2014

Small Interruptible Sales	
Base Rate Revenues	\$309,600
Energy Revenues	537,348
Cost of Gas	4,409,577
Total Sales Revenues	\$5,256,525
Small Interruptible Transportation	
Base Rate Revenues	\$230,400
Transportation Revenues @ Ceiling	509,509
Transportation Revenue - Flexed	0
Base Rate Revenues - Flexed	0
Total Transportation Revenue	\$739,909
Total Small Interruptible Revenues Per Design	\$5,996,434
Total Small Interruptible Target Revenues	<u>5,997,499</u>
Difference	<u><u>(\$1,065)</u></u>

MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
LARGE INTERRUPTIBLE SERVICE - RATES 82 & 85
Projected 2014
Excluding Flexed Contracts

CLASS	Billing Units	Current		Proposed	
		Rate	Amount	Rate	Amount
Basic Service Charge					
Rate 85 Sales	1 Cust	\$675.00	\$675	\$2,200.00	\$26,400
Rate 82 Transport	5 Cust	725.00	3,625	2,200.00	132,000
Subtotal			4,300		158,400
Distribution Delivery					
Rate 85 Sales	24,626 dk	0.298	\$7,339	0.260	\$6,403
Rate 82 Transport	3,742,175 dk	0.298	1,115,168	0.260	972,966
Cost of Gas	0 dk	3.980	0	3.980	0
Total Revenue			\$1,126,807		\$1,137,769

Total Rate 85 Distribution Revenue	\$1,137,769
Target Distribution Revenue	<u>1,138,707</u>
Difference	<u><u>(\$938)</u></u>

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - NORTH DAKOTA
PROPOSED RATE DESIGN
LARGE INTERRUPTIBLE SERVICE - RATES 82 & 85
Projected 2014**

Current Non-Gas Revenues	\$1,318,067
Less: Flexed Contracts	(179,360)
Proposed Revenue Increase	<u>0</u>
Total Revenue Requirement	\$1,138,707
Less: Base Service Charge Revenues	<u>158,400</u>
Total Revenue Requirement	\$980,307
Total Throughput Rates 82 & 85 (Excluding Flexed Contracts)	3,766,801
Commodity Charge	\$0.260

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**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - NORTH DAKOTA
 REVENUE RECONCILIATION
 LARGE INTERRUPTIBLE SERVICE - RATES 82 & 85
 Projected 2014**

Large Interruptible Sales & Transportation	
Base Rate Revenues	\$211,200
Distribution Revenues - @ Ceiling	979,369
Transportation Revenues - Flexed	<u>126,560</u>
 Total Distribution Revenues	 \$1,317,129
 Total Large Interruptible Revenues Per Design	 \$1,317,129
Total Large Interruptible Target Revenues	<u>1,318,067</u>
 Difference	 <u><u>(\$938)</u></u>

Flexed Contracts

Customer ID	Custl	Base Rev	Dk	Rate	Dist Rev	Total Rev
1	1	\$26,400	222,260		\$55,061	\$81,461
2	1	26,400	846,137		71,499	97,899
 Total	 2	 <u>\$52,800</u>	 <u>1,068,397</u>		 <u>\$126,560</u>	 <u>\$179,360</u>